

# **FY2013 CDBG**

# **ADMINISTRATIVE**

# **MANUAL**



Community Development Block Grant Program

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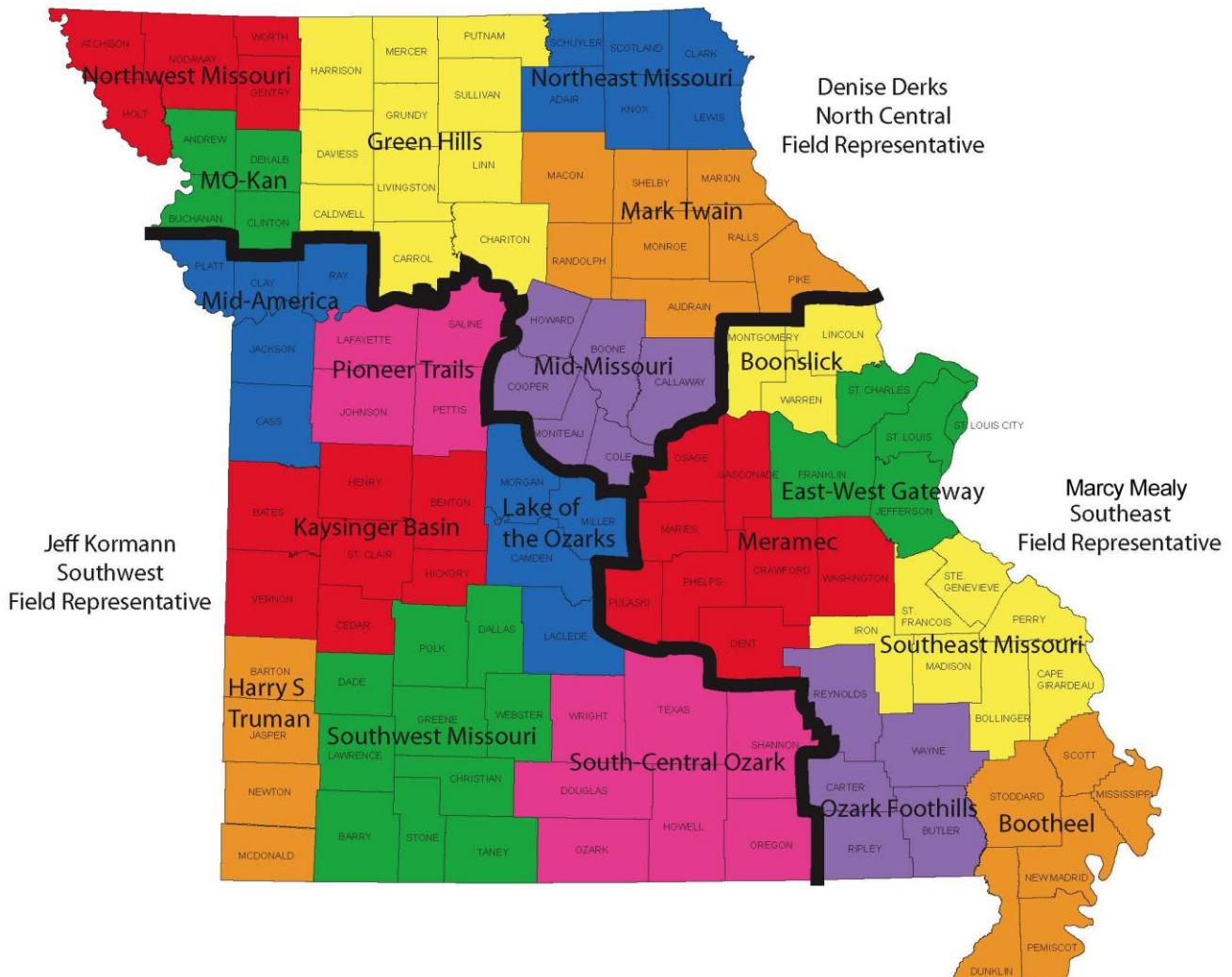
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## **CHAPTER I**

### **PROJECT/GRAANT ADMINISTRATION**

#### **Introduction**

The success of a Community Development Block Grant (CDBG) project depends upon careful management and administration.

This involves planning and scheduling, knowledge and responsibility of a variety of management functions, effective oversight of program activities and attention to detail.

The project should be managed to maintain progress and assure compliance. The CDBG policies and regulations are proper, sound business practices for the completion of any public project. The knowledge and understanding of these policies and regulations will allow for a process that will work hand in hand with achieving the desired project goals.

This manual is designed to assist CDBG recipients with project activities and compliance. It contains the regulation, policy or rule, and a number of forms and samples to assist with managing the grant and understanding the process.

The initial project/grant management responsibilities are:

1. Standard procedure
2. Selection of an administrator
3. Duties that are key to the program
4. Recordkeeping
5. Internal monitoring
6. File structure

Careful attention to these matters will help get the project started properly.

#### **Other important sections in this chapter:**

- Sample Administration File Structure
- Monitoring Checklists/Desk Review
- Conflict of Interest Policy
- Property Management

## STANDARD PROCEDURE

A variety of procedures exist that must be fulfilled for your CDBG project/grant to be successful. We want to ensure an effective and efficient use of public dollars. The requirements should not be viewed as a hindrance. Rather, they are tools for the community to protect their own and the public's interests as investors in the project. Each area of responsibility is discussed in greater detail in later sections of this handbook.

Briefly, those responsibilities include:

**1. General Program/Grant Management:**

- a. Recordkeeping (saving documents, filing, keeping receipts, etc.)
- b. Financial Management (tracking all of the project dollars)
- c. Citizen Participation (including your citizens in the project)
- d. Procurement (how to purchase materials and select contractor)
- e. Contract and Property Management (who to contract with and what the document should say)
- f. Close-Out and Audit Requirements (how to finalize your project)

**2. Environmental Requirements** – The process that examines what effect your project activities will have on the environment.

**3. Labor Standards** – Payment of state prevailing wage and Federal Davis Bacon wages to all contractor employees.

**4. Civil Rights** – Ensuring equal opportunity under the law.

**5. Acquisition and Relocation** – Protecting landowner and homeowner rights.

Knowledge of these responsibilities allows the community to start initial planning of the administrative structure and processes to make certain that these responsibilities are fulfilled. Decisions must be made about how the program will be administered and who will be responsible for various tasks that must be carried out along the way to program completion.

**REGARDLESS OF THE ADMINISTRATIVE METHOD USED, THE GRANTEE HAS THE RESPONSIBILITY OF SEEING THAT THE GRANT IS CARRIED OUT PROPERLY AND RETAINS LIABILITY FOR THE GRANT.**

## SELECTING AN ADMINISTRATOR

There are three basic approaches that the community can take to the management of the CDBG grant.

1. The community may manage the grant itself, using available staff.
2. The community may hire new staff specifically for purposes of managing the grant.
3. The community may contract with a third party (e.g., a regional planning commission or a private consultant) to manage the grant.

Each approach has advantages and disadvantages, and the choice should be made on the basis of careful consideration of the circumstances in the community and the nature of the funded project.

### **Using Current Staff**

This approach has certain advantages. Individuals involved with the project will be familiar with existing administrative routines, and they will know where to go to obtain needed support and information. They will be familiar with the community's goals, particularly if they were involved in planning for the project; thus, they can ensure project implementation in a way that is consistent with those goals. In addition, the use of existing staff eliminates the need to hire and train new staff. It avoids any problems the community might face in working with a third party.

This approach should probably be taken if the community has available staff with sufficient time to undertake the added responsibilities. Staff will either need to work on an overtime, extra-compensation basis, or they will have to defer other activities. Competent staff should be able to manage the program well, if they engage in sufficient administrative planning. Previous work with Federal grants provides important experience, since a variety of Federal laws and regulations apply to project activities.

Regular city staff whose time is committed to the grant project cannot be paid from the grant funds unless they receive overtime pay, their salaries are increased to reflect additional duties associated with the CDBG program, or their job descriptions are temporarily changed to defer or reassign duties.

Grant funds are paid to the general fund and the extra pay dispersed through the regular employee-pay method. Only the addition to their salary can be paid from grant funds, and this **must** be approved by DED before such salary costs are incurred. All hours worked on the program must be documented with time sheets for each employee involved, and payment must coincide with hours worked.

Suggested employee roles for local administration are included herein.

### **Hiring New Staff**

If current staff does not have sufficient time to administer the project, consideration should be given to hiring additional staff to provide necessary support. The advantage of this approach is that the person or persons hired for this purpose will be on hand on a daily basis and will be able to work closely with local officials in administering the grant. A problem is that it may be difficult to find qualified individuals for temporary, perhaps part-time positions. Again, all employees paid from CDBG funds must document time spent on the grant with timesheets, as payment must be for CDBG work only.

### **Contracting Out**

A third approach is to contract with a regional planning commission or private consultant to provide the necessary support. Many such organizations already have experience with CDBG and similar programs. They can bring considerable expertise to bear and relieve local officials of much of the burden of administering the grant. Engineering firms may qualify to administer a grant. However, an engineering firm cannot perform both administration and engineering on the same grant.

Someone on city staff should be familiar with project requirements so that the work of an outside administrator can be monitored properly, **as the grantee remains responsible for proper administration**. An administrator is simply another contractor of the community.

No grantee will be penalized if it does not have the capacity to properly administer the grant from existing staff members; rather, they should propose that an outside firm will be contracted or new staff will be hired, as appropriate, to administer the grant. Every grant must be administered by a competent person who will properly oversee the requirements set forth by Federal law and state regulations; therefore, the grantee must be assured competent administration when deciding this issue.

The program administration structure should be guided by the scope and difficulty of the approved CDBG program, prior grant experience, proper internal control, and financial management requirements. For example, a small-scale public facilities project with a single construction contract need not have an elaborate management structure. On the other hand, a housing rehabilitation program or economic development project may involve several contractors, bank negotiations, escrow accounts, the purchase of land and easements and the management of a revolving loan fund.

If the community decides to retain an outside organization to administer the project and proposes to use grant monies as all or part of administration payment, it must use the competitive proposal process (see the Procurement Chapter) to ensure that it receives the best help for the best price. It should use a well-developed contract to govern the relationship between itself and the administrator, specifying carefully the work elements to be completed and the time schedule for completion of the work elements. The community may wish to retain some administrative responsibilities. All such arrangements should be carefully spelled out in any contract.

The Procurement Chapter describes the **required** method of procurement that solicits all known grant administrators and the area RPC.

Contracts for administrative services cannot be on a pro-rated basis as the method of payment (a set amount per month for a pre-determined number of months) if CDBG money is used to pay for administration. As with any contract, payments should be based on monthly cost reimbursement or a percentage payment after milestones in the grant.

**REGARDLESS OF WHAT METHOD IS CHOSEN FOR GRANT ADMINISTRATION,  
GRANT FILES MUST BE RETAINED AT THE GRANTEE'S OFFICE OF BUSINESS.**

**Financial Management is the responsibility of the grantee, and cannot be contracted out to a grant administrator.**

**Responsible Local Individual:**

One person should be assigned as the point of contact for communication between:

- Grantee and state
- Grantee and administrator
- Grantee and contractors
- Grantee and engineer

## SUGGESTED ROLES FOR GRANTEE ADMINISTRATION

As noted, there are several areas of responsibility related to CDBG project/grant management. Also, as noted, there are a variety of approaches that can be taken to administer the project. However, it is useful for a community administering its own grant to think about two essential roles that should be clearly defined: **Community Development Project Manager** and **Community Development Finance Officer**.

### Responsibilities of Community Development Project Manager

The Community Development Project Manager shall have overall project responsibility and shall be the focal point for the resolution of any problems that may develop in the course of project implementation. Specifically, this individual shall have the following responsibilities:

- oversee recipient and contractor compliance with statutory/program requirements
- contact point with DED
- recommend approval of third-party contracts
- recommend approval for purchase orders
- recommend and/or approve invoices/contractor payment
- oversee field review of project activities
- oversee project progress
- oversee CDBG budget/project amendments
- maintain project files
- complete DED reports on project performance
- monitor third-party contracts
- submit final close-out report(s)
- oversee annual audit requirements

### Responsibilities of the Finance Officer

The Finance Officer is responsible for maintaining official CDBG financial records. The Finance Officer will be responsible for the following:

- maintenance and control of accounting documents approved for processing by the Community Development Project Manager
- preparation of financial reports based on accounting records
- preparation of grant requisitions (Request For Funds Form) subject to review by Community Development Project Manager
- entry of these and other accounting transactions into the accounting system
- maintenance of financial process files (working files)

In managing CDBG financial resources, there must be an appropriate division of responsibility regarding the request and receipt of CDBG monies. Proper internal control should be exercised to guard against opportunities for waste, fraud, and mismanagement.

## RECORDKEEPING

An adequate recordkeeping and filing system for the Missouri CDBG program is essential to document both recipient fulfillment of applicable regulations and accomplishment of program activities. Complete records are necessary for the two major aspects of CDBG audit, financial soundness and program compliance. Without adequate records to support programmatic decisions, even the best performed program will receive an adverse audit. As noted earlier, all files and records must be kept at grantee's business offices and must be available to the public during regular business hours, except confidential files relating to housing and/or economic development. Grantees are required to control grant funds and establish adequate safeguards to protect the records that document CDBG transactions.

### **Record Retention Requirements**

CDBG program records are to be maintained for a period of **five years**.

In the event of litigation, claims or other unresolved legal issues, the five-year period begins with the date noted on the Certificate of Completion. If litigation or other legal matters extend beyond the five-year period following the date on the Certificate of Completion, then the records retention period extends to the date of the final judgment or ruling in the case. The records retention requirement applies to "source documentation." This term refers to any writing that activates a flow of funds. Source documentation comprises purchase orders, invoices, contracts, checks, budget transfer memoranda and other transaction documentation. It also includes writings that verify compliance with nonfinancial components of program administration, such as inspection reports that confirm fulfillment of applicable regulations. For example, if a housing unit is inspected for lead-based paint, an inspection report noting the findings should be completed and filed. Original documents are preferred, but copies are acceptable as source documents.

### **File Management Considerations**

The importance of maintaining a logical and complete filing system cannot be overemphasized. The key consideration in designing any system is that it creates a clear "audit trail." This means that every transaction can be traced from beginning to end. (For example, a simple purchase of goods might begin with a purchase requisition followed by a purchase order that is matched with a receiving report when the goods arrive. These documents are then matched with a vendor's invoice and a check is processed. After appropriate accounting entries are made and the cancelled check is returned, the entire transaction may be filed.) Thus, the purchase may be traced from beginning to end by source documentation. The process of tracing is the primary concern of program auditors. A record and filing system that enables an auditor to quickly and easily trace transactions using source documentation and coding references will generally result in a favorable audit report. **See grant audit requirements in the Close-out Chapter of this manual.**

## **INTERNAL MONITORING**

One of the most important functions undertaken by CDBG grant recipients is monitoring, or grant oversight. The four primary components of CDBG monitoring are progress on planned activities, program compliance, fiscal management and fiscal compliance. This will require development of a monitoring system that will allow recipients to:

- manage their community development program as a whole, and individual projects and activities substantially, as described in the approved CDBG application
- maintain program or project progress
- determine that costs charged to the project are eligible
- ensure that all program activities comply with all applicable laws and regulations and terms of the grant agreement
- eliminate the opportunity for fraud, waste, and mismanagement

The key to successful monitoring of many different contracts simultaneously is to maintain constant contact with the contractors. This can be accomplished by frequent discussions and site visits as well as the formal means of communication. These site visits should include checks of progress toward project milestones, a review of compliance with each contract provision, and confirmation of satisfactory work prior to the approval of each invoice. Only by making these efforts can recipients ensure that CDBG program progress is being maintained as specified by the CDBG contract with DED. Please refer to the Contract Management Chapter in this manual.

Recipients must also develop procedures to monitor internal management. For example, it is absolutely essential that the Request for Release of Funds and Certification be approved by DED prior to the commencement of any CDBG activity other than administration (See the Environmental Review Chapter). Ensuring that program files are properly maintained, that adequate books and records are kept, and that reports to DED are submitted on a timely basis requires a system of internal monitoring.

By properly monitoring their program, recipients can promptly identify problems, make appropriate corrections while activities are ongoing, communicate with subrecipients on a routine basis, and report overall program status at any point in time.

Two suggestions to assist with internal monitoring follow:

1. A recommended file structure
2. A compliance monitoring checklist

### **RECOMMENDED FILE STRUCTURE**

Grant files are divided into categories and are coded to facilitate placement and retrieval of documents. If a recipient has more than one CDBG grant, separate files should be kept to distinguish between grant years. A sample of the CDBG file categories and their contents follows.

## CDBG ADMINISTRATION FILE STRUCTURE

Following is a recommended file structure for administering CDBG projects. The structure includes the documentation that should be included in each file. However, please note that this structure is not all-inclusive, but rather a thorough outline. If this structure is followed, grantees should have few, if any, monitoring findings.

### NATIONAL OBJECTIVE

-  All income surveys and tabulation sheet, if applicable
-  Documentation of 51% LMI from census information, if applicable
-  Documentation of alleviating slums and blight, if applicable
-  Documentation of meeting an urgent health and safety need, if applicable
-  Verification of income for direct hookups utilizing CDBG funds, including copies of bank statements, tax returns, social security, disability reports, etc.

### CITIZEN PARTICIPATION

-  Affidavit of publication for application public hearing
-  Minutes of application public hearing
-  Affidavit of publication for the public hearing held to review grant performance
-  Minutes of performance review public hearing
-  All criticisms, complaints, and grantees' responses to these criticisms and complaints
-  Documentation of actions taken to involve all citizens in implementing the project

### PROPERTY MANAGEMENT

-  List of all personal property purchased with CDBG funds
-  Complete register of all property acquired

### FINANCIAL MANAGEMENT

-  Copy of the CDBG Administrative Manual
-  Funding Approval/Grant Agreement
-  Checkbook
-  Activity ledger
-  Bank statements and evidence of reconciliation
-  All canceled checks

- ❑ Evidence that CDBG funds are in a non-interest bearing account
- ❑ Copies of all RFFs and supporting invoices reference with check numbers, dates, and amounts paid
- ❑ Cash match documentation including invoices, canceled checks, ledgers, etc. (If downtown revitalization, cash match must be one-for-one match with private investment.)
- ❑ In-kind match documentation including employees, pay per hour, and number of hours worked on project (time sheets)
- ❑ All contract amendments and supporting documentation
- ❑ Copies of SFM01, SFM02, and ACH form
- ❑ Copies of all project audits
- ❑ Copy of the close-out packet
- ❑ Evidence of use of program income as approved by DED, if applicable

## ENVIRONMENTAL REVIEW RECORD

- ❑ Environmental Assessment
- ❑ Environmental Assessment Review Letter
- ❑ Affidavit of publication of Combined Notice or NOI/RROF
- ❑ Historic Preservation Clearance (including memorandum of agreement)
- ❑ Other applicable documentation such as floodplain notices, farmland impact rating, etc.
- ❑ Evidence that all notices were sent to the required agencies (Return Receipt or copies of dated and signed letters)
- ❑ All correspondence from CDBG staff (i.e., letters, e-mail logs, phone logs)
- ❑ All comments received and the grantee's responses to these comments
- ❑ Request for Release of Funds and Certification (signed by CEO)
- ❑ Removal of Grant Conditions
- ❑ Notice of Release of Environmental Requirements (for private monies only) (Economic development projects only)

## EQUAL OPPORTUNITY

- ❑ Total indirect beneficiaries, including breakdown of LMI, female heads of household, Hispanic, and minorities (Black, Asian, Native Hawaiian/Pacific Islander, Native American, etc.)

- ❑ Total direct beneficiaries, including breakdown of LMI, female heads of household, Hispanic, and minorities, if applicable
- ❑ Total direct beneficiary applicants, including breakdown of female heads of household and minorities (for housing and economic development projects)
- ❑ Evidence that equal opportunity guidelines were followed for persons hired specifically for the CDBG project
- ❑ Section 3 documentation
- ❑ All Contract and Subcontract Activity Reports (formerly Business Participation Reports)
- ❑ Grantee's Excessive Force Policy, including physically barring access to a facility
- ❑ Grantee's Fair Housing Ordinance (Resolution), including all protected categories
- ❑ Documentation of actions taken to further Fair Housing for each subsequent year the grant is open (e.g., for projects awarded June 1, 2000, one action must be conducted prior to June 1, 2001 and so forth)
- ❑ Documentation that Fair Housing impediments have been identified (for projects funded in 1995 and after)
- ❑ All equal opportunity/civil rights complaints and grantee's response to these complaints

## **PROCUREMENT AND CONTRACT MANAGEMENT**

- ❑ Copy of grantee's procurement and conflict of interest policies
- ❑ Copies of the intergovernmental agreement
- ❑ Evidence that grantee maintains a listing of all MBE, WBE, and Section 3 firms
- ❑ Copies of grantee/subgrantee agreement
- ❑ Approval from DED if less than three bids are received for any contract
- ❑ Evidence that the following certifications and executive orders are in all project contracts (Section 504, Section 109, Age Discrimination Act, Executive Order 11063, Executive Order 11246 (contracts exceeding \$10,000), Section 3 (contracts exceeding \$100,000), and Affirmative Action Plan (construction contracts))

### Administration Contract

- ❑ Copy of the Request for Proposals (RFP) identifying all evaluation factors (see sample Administration RFP) (Note: Cost must be a factor.)
- ❑ Evidence that all known area administrators were solicited, including MBE and WBE firms
- ❑ Evidence of the selection criteria for award, including minutes of the meeting

- ❑ Documentation that all unsuccessful bidders were notified in writing

- ❑ Executed administration contract as well as all proposals received



#### Engineering/Architectural Contract

- ❑ Copy of the Request for Qualifications (RFQ) identifying all evaluation factors (see sample Engineering/Architectural RFQ) (Note: Cost cannot be a factor.)

- ❑ Evidence that all known area engineers/architects were solicited, including MBE and WBE firms

- ❑ Evidence of the selection criteria for award, including minutes of the meeting

- ❑ Documentation that all unsuccessful bidders were notified in writing

- ❑ Executed engineering contract as well as all proposals received



#### Construction Contract

- ❑ Executed construction contract and bid specifications

- ❑ Bid, performance, and payment bonds

- ❑ Evidence that bids contain language relating to labor provisions, bonding, and equal employment opportunity

- ❑ Documentation that items to be bid are clear and without reference to specific brand requirements

- ❑ Labor Standards Provisions as well as the CDBG General Conditions and Supplemental Conditions

- ❑ Contractor certifications

- ❑ Subcontractor certifications, if applicable

- ❑ Correct state and Federal wage rates

- ❑ Affidavit of publication for bids in a general circulation newspaper (newspaper of widest circulation in the region)

- ❑ Affidavit of publication for bids in minority and trade publications or evidence of direct solicitation

- ❑ Documentation of the public meeting held to open bids as well as the bid tabulation



#### Housing Rehabilitation Contracts

- ❑ Executed construction contract and bid specifications

- ❑ Evidence that bids contain language relating to equal employment opportunity

- ❑ Quantity of materials, location of house, quality of materials, and installation methods
- ❑ Proof of contractor's workman's compensation
- ❑ Contract prohibits use of lead paint and worker protection as specified in 29 CFR Part 1926
- ❑ Affidavit of publication for bids in a general circulation newspaper (newspaper of widest circulation in the region), at least twice per year
- ❑ Affidavit of publication for bids in minority and trade publications or evidence of direct solicitation
- ❑ Documentation of the public meeting held to open bids as well as the bid tabulation

 Small Purchase Contracts, if applicable

- ❑ Listing of all vendors solicited, including MBE, WBE, and Section 3 firms, and price quotations
- ❑ Copy of specifications provided to vendors, whether goods or services
- ❑ Executed contract

 **LABOR STANDARDS**

- ❑ Documentation that wage rates were verified within 10 days of opening bids
- ❑ Documentation that the contractor eligibility was verified (disbarment check)
- ❑ The Start of Construction Notice, including copy of DNR construction permit
- ❑ The pre-construction report and minutes
- ❑ Evidence that all contractors and subcontractors are in good standing with the State of Missouri

 Separate payroll file for each contractor and subcontractor

- ❑ All project payrolls, complete with names, addresses, social security numbers, work classifications, hourly rates, etc.
- ❑ Statement of compliance for each payroll
- ❑ Documentation of fringes per hour for each classification, if applicable
- ❑ Apprentice documentation, if applicable
- ❑ Payroll review documentation
- ❑ Employee interviews to cover a representative number of trades throughout the project

## ACQUISITION

### Separate file for each property acquisition

-  Preliminary acquisition notice to acquire, including invitation to accompany appraiser
-  Documentation that all landowners were provided with the brochure "When A Public Agency Acquires Your Property" (Return Receipt or signed statement)

### Donations

-  Waiver of rights to just compensation and release of grantee's obligation to an appraisal
-  If not waived, copy of appraisal or determination of value data
-  All required title documentation including deed, recording evidence, etc.

### Voluntary Acquisition

-  Evidence of advertisement or invitation of property solicitation, including non-specific site and option to not acquire if negotiations fail

### Standard Acquisition

-  Appraisal and review appraisal
-  If not appraised, documentation that property valued at less than \$10,000
-  Written offer to purchase, including statement for determining offer (Return Receipt)
-  Evidence of clear title, survey, deed, and legal description
-  Proof of payment
-  Recorded deed
-  Report of Commendation Commissioners if result of condemnation
-  Written notice not to acquire, if applicable (Return Receipt)
-  Rental agreement and short term lease, if applicable
-  Evidence that the grantee has adopted appeal procedures
-  Evidence the property owner was informed of his right to appeal and judicial review (Return Receipt)
-  Evidence of grantee's written determination of appeal (Return Receipt)
-  Evidence of state's written determination of appeal (Return Receipt)

## **RELOCATION**

### Separate file for each relocation

-  Notice of eligibility for relocation assistance (Return Receipt)
-  Evidence tenant was provided with applicable HUD brochure (Return Receipt)
-  Evidence of the 90-day Advance Notice to Move (Return Receipt)
-  Claim forms (e.g., tenant assistance or down payment assistance, replacement housing payment, moving and related expenses, etc.)
-  Evidence of donation if owner donates property in lieu of relocation payment
-  Documentation of payment (relocation and moving expense)
-  Selection of Most Representative Comparable Replacement Dwelling form
-  Evidence that the selected replacement unit was inspected and determined to meet DSS standards
-  Documentation that unit is infeasible to rehab and no comparable unit exists in the grantees jurisdiction, if applicable
-  Evidence that displaced persons were notified of relocation assistance under 104(d), if applicable
-  Grantee's Residential Antidisplacement and Relocation Assistance Plan
-  Grantee's one-for-one replacement plan, if applicable
-  Evidence that the grantee has adopted appeals procedures
-  Evidence of informing individual of his right to an appeal and judicial review (Return Receipt)
-  Notice of Denial of Relocation Assistance Claim, if applicable
-  Evidence of grantee's written determination of appeal (Return Receipt)
-  Evidence of state's written determination of appeal (Return Receipt)

## **ECONOMIC DEVELOPMENT (INCLUDING MICROENTERPRISE)**

-  Current payroll listing, including dates of hire
-  Employment Status Statements for all employees hired after job creation start date and completed summary sheet
-  Summary sheet indicating demographic data for all job applicants
-  Summary of private investment with supporting invoices and/or canceled checks

- ¶ If speculative building, evidence of marketing the building
- ¶ Documentation of repayment of program income, if applicable
- ¶ If microenterprise, copies of loan documents to individual businesses
- ¶ If microenterprise, LMI status of owner, if applicable

## **MONITORING CHECKLISTS**

Depending upon the complexity of the project and the familiarity of the grantee with CDBG, a project may be formally monitored either one or two times. The monitoring will be scheduled well in advance with the community and their administrator.

Technical assistance visits may also be made by staff, if requested or determined that it would best suit the grantee and the State's investment of grant dollars. Technical assistance visits are made to assist the grantee toward achieving successful project completion. The experience of the staff toward problem resolution and recommending alternative solutions is a source and a benefit that every grantee needing assistance should utilize.

The following checklists are provided for the benefit of the grantee. They contain the review of every area of compliance for which the grantee is responsible, and they represent the same documents that the field representative uses in determining the performance of the grantee.

## **STANDARD MONITORING DESK REVIEW**

Grantee \_\_\_\_\_

Project No. \_\_\_\_\_

Date of Review \_\_\_\_\_

Type of Review \_\_\_\_\_

Reviewer \_\_\_\_\_

Grantee Staff Present \_\_\_\_\_

### **1. GENERAL INFORMATION**

A. Grant/Loan Amount: \_\_\_\_\_

B. Award Date: \_\_\_\_\_

C. Percent of construction complete: \_\_\_\_\_

D. Percent of administrative paperwork complete: \_\_\_\_\_

E. Amount of funds remaining: \_\_\_\_\_

F. Date of previous monitoring visit: \_\_\_\_\_

G. Date findings due: \_\_\_\_\_

H. Date findings resolved: \_\_\_\_\_

I. Type of acquisition involved (easements or fee simple title):  
\_\_\_\_\_

J. Source of acquisition funding: \_\_\_\_\_

K. Acquisition done before or after first public hearing? \_\_\_\_\_

L. Projected close-out date: \_\_\_\_\_

M. Contact person(s): \_\_\_\_\_  
Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

N. Current Mayor/Presiding Commissioner: \_\_\_\_\_

O. Address: \_\_\_\_\_

P. Phone #: \_\_\_\_\_

Q. Monitoring attendees:  
\_\_\_\_\_

## **NATIONAL OBJECTIVE**

Project No. \_\_\_\_\_

Reviewer \_\_\_\_\_

## 1. LOW AND MODERATE INCOME BENEFIT

- A. Percent of benefit shown on application (funding approval): \_\_\_\_\_

- B. Benefit is:

Citywide       Target Area       Limited Clientele       Housing Only

#### Economic Development (including Microenterprise)

- C. Benefit determined by census?  Yes  No

- D. LMI survey conducted by grantee?  Yes  No

- Yes       No

- Applicable return rate achieved?  Yes  No

- #### E. Actual tabulation of survey in field:

Total Persons \_\_\_\_\_ # LMI \_\_\_\_\_ % LMI \_\_\_\_\_

Total Families \_\_\_\_\_ # LMI \_\_\_\_\_ % LMI \_\_\_\_\_

- F. Is this in accordance with application? (method, numbers, percentages)  Yes  No

If No, explain: \_\_\_\_\_

- G. Did any change in the project scope affect a change in the beneficiaries?  Yes  No

- H. If so, were new beneficiaries surveyed?  Yes  No

- I. If so, is the national objective still being met?  Yes  No

## 2. SLUMS AND BLIGHT

- J. Slums and blight activity is identified as:  Area  Spot  Infeasible to Rehab

## Chapter 353      Local dangerous building code

- K. Project includes supporting documentation?  Yes  No

- L. Spot slums and blight: All structures vacant for three months prior to demolition?  Yes  No

Area CDBG funds used to address deteriorated conditions?  Yes  No

### 3. ACTIVITIES DESIGNED TO MEET URGENT HEALTH AND SAFETY NEEDS

(Requirements established at application stage)

- A. Problem identified as: \_\_\_\_\_

- Is the grantee's file for this compliance area complete?  Yes  No

COMMENTS: \_\_\_\_\_

## CITIZEN PARTICIPATION

Project No. _____	Reviewer _____
1. Are grant records kept at grantee's office? <input type="checkbox"/> Yes <input type="checkbox"/> No	
2. Is documentation of public hearing available in the grantee files? <input type="checkbox"/> Yes <input type="checkbox"/> No	
3. Has the performance public hearing been held? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Date of publication: _____	
Date of hearing: _____	
Place held: _____	
Affidavit of publication and minutes in file? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
4. Were all public hearings accessible to handicap (disabled) persons? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
5. Were all public hearing notices published or posted sufficiently? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
6. Is there an indication in the community that an interpreter was needed? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
If so, was one provided at the hearing? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
7. Have any criticisms or complaints been received in writing regarding the program? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
If Yes, explain how they were handled: _____ _____	
8. List any additional ways the grantee has <u>demonstrated</u> efforts to involve citizens throughout all stages of the project. _____	
9. Section 504 ADA/Accessibility & Disability Compliance	
A. Has the grantee completed a self-evaluation of program access? <input type="checkbox"/> Yes <input type="checkbox"/> No	
B. Does the grantee have 15 or more employees? <input type="checkbox"/> Yes <input type="checkbox"/> No	
i. If so, has the grantee completed a Section 504 Accessibility Transition Plan based on the results of the self-evaluation? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
ii. Has the grantee designated a Section 504 Coordinator? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Provide name and title: _____ _____	
iii. Has the grantee adopted a written grievance procedure to resolve complaints regarding Section 504 Accessibility? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
10. Is the grantee's file for this compliance area complete? <input type="checkbox"/> Yes <input type="checkbox"/> No	
COMMENTS: _____ _____	

## PROPERTY MANAGEMENT

Project No. \_\_\_\_\_

Reviewer \_\_\_\_\_

1. Was any personal property purchased with CDBG funds?  Yes  No  
(If Yes, complete the remaining questions.)
2. Is CDBG funded, nonexpendable personal property identified with an inventory tag or other control?  Yes  No  N/A
- List tagged items: \_\_\_\_\_  
\_\_\_\_\_
3. If any real property was purchased, was it titled correctly to the owner (either the grantee or not-for-profit)?  Yes  No  N/A
- A. If so, is the real property deed restricted to prevent resale for undue enrichment?  Yes  No  N/A
- B. Is the deed restriction for twenty years?  Yes  No  N/A
4. Is the grantee's file for this compliance area complete?  Yes  No

COMMENTS: \_\_\_\_\_  
\_\_\_\_\_

## FINANCIAL MANAGEMENT

Project No. \_\_\_\_\_

Reviewer \_\_\_\_\_

### 1. CASH

- A. Does the grantee record all cash transactions in a checkbook?  Yes  No
- B. Does the grantee use activity ledgers?  Yes  No
- C. Are RFFs based on either work completed and invoiced or projected cash needs?  Yes  No

### 2. BANK STATEMENT RECONCILIATION

- A. Are checkbook balances reconciled to bank statements monthly?  Yes  No
- B. Is the bank statement reconciliation documented?  Yes  No
- C. Is the person reconciling monthly bank statements prohibited from signing checks?  Yes  No
- D. Are two signatures required on all checks?  
If No, is person writing checks prohibited from signing them?  Yes  No
- E. Is the person authorized to sign checks different from the person who signs RFFs?  Yes  No
- F. Check a sample of canceled checks. Are all dates, payee, amounts, endorsements, and signatures proper?  Yes  No
- G. Did the grantee spend all cash in excess of \$1,000 within the 5 days allowed?  Yes  No
- H. Is the CDBG bank account non-interest bearing?  Yes  No
- I. If interest was earned, was the interest returned to DED?  Yes  No

### 3. MATCHING FUNDS

- A. If the grantee was required to use matching funds, is there a record of all matching funds used, including supporting documentation?  Yes  No
- B. Documentation:

	Funding Approval	Amount
Cash match	_____	_____
In-kind match	_____	_____
Other	_____	_____
Private Match	_____	_____

- C. Did the grantee expend the amount of matching funds pledged in the application (funding approval)?  Yes  No
- D. Is there any evidence of CDBG funds used to reimburse local funds expended prior to environmental release of CDBG funds?  Yes  No
- E. Is there any evidence of CDBG funds used to reimburse local funds expended prior to the grant award date?  Yes  No
- F. If Downtown Revitalization, is there a dollar-for-dollar match of eligible private investment funds?  Yes  No

### 4. AUDIT TRAIL

- A. Are all accounting transactions supported by invoice?  Yes  No
- B. Are invoices properly referenced with check numbers, dates, RFF numbers, funding sources, and amounts paid?  Yes  No

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Project/Grant Administration

- C. Are all expenses allowable per grant agreement?  Yes  No
- D. For in-kind or local labor, are payrolls supported by time sheets?  Yes  No
5. PROGRAM INCOME
- A. If earned, was program income disclosed in financial records?  Yes  No  N/A
- B. Was program income used for eligible activities?  Yes  No  N/A
- C. Was the eligible expenditure of program income approved by DED prior to use?  Yes  No  N/A
- D. Are all reports on program income current with DED requirements?  Yes  No  N/A
6. Is the grantee's file for this compliance area complete?  Yes  No

COMMENTS: \_\_\_\_\_

\_\_\_\_\_

## ENVIRONMENTAL REVIEW

Project No. \_\_\_\_\_ Reviewer \_\_\_\_\_

1. Is there an environmental review record (ERR) containing all original documents available for public review at the RE's location?		<input type="checkbox"/> YES	<input type="checkbox"/> NO
2. Does the ERR contain the originally-signed "Determination of Level of Environmental Review" form?		<input type="checkbox"/> YES	<input type="checkbox"/> NO
3. Does the ERR contain the originally-signed "Finding of Exemption" form?		<input type="checkbox"/> YES	<input type="checkbox"/> NO
4. If the project is Categorically Excluded <u>not Subject to</u> laws and authorities at 58.5 (CENST), does the ERR contain the originally-signed "Categorically Excluded Not Subject To" form?	<input type="checkbox"/> N/A	<input type="checkbox"/> YES	<input type="checkbox"/> NO
5. a. If the project is Categorically Excluded <u>Subject to</u> laws and authorities at 58.5 (CEST), does the ERR contain the originally-signed Statutory Checklist and all supporting documentation?  b. Did the project convert to Exempt?  c. If NO, does the ERR contain the "Notice of Intent to Request Release of Funds" public notice?  d. Does the ERR contain the affidavit of publication and/or tear sheet?	<input type="checkbox"/> N/A	<input type="checkbox"/> YES  <input type="checkbox"/> YES  <input type="checkbox"/> YES	<input type="checkbox"/> NO  <input type="checkbox"/> NO  <input type="checkbox"/> NO
6. a. If the project required an Environmental Assessment (EA), does the ERR contain the originally-signed EA and all supporting documentation?  b. Does the ERR contain the "Combined Notice" (Notice of Intent to Request Release of Funds and Finding of No Significant Impact)?  c. Does the ERR contain the affidavit of publication and/or tear sheet?  d. Does the ERR contain proof of distribution to environmental agencies and Tribes, if applicable? (certified mail receipts and/or cover letters & stamped envelopes)	<input type="checkbox"/> N/A	<input type="checkbox"/> YES  <input type="checkbox"/> YES  <input type="checkbox"/> YES	<input type="checkbox"/> NO  <input type="checkbox"/> NO  <input type="checkbox"/> NO
7. Did the project require completion of HUD's 8-Step Decision Making Process for Floodplains and/or Wetlands?  If YES, does the ERR contain the following items:		<input type="checkbox"/> YES	<input type="checkbox"/> NO
<u>Early Public Notice:</u>  <input type="checkbox"/> Copy of the Early Public Notice, affidavit of publication and/or tear sheet, proof of distribution of the notice to environmental agencies and Tribes, if applicable. <input type="checkbox"/> Written comments from the public and RE written responses. <input type="checkbox"/> N/A			
<u>Notice of Explanation:</u>  <input type="checkbox"/> Copy of the Notice of Explanation, affidavit of publication and/or tear sheet, proof of distribution of the notice to environmental agencies and Tribes, if applicable. <input type="checkbox"/> Written comments from the public and RE written responses. <input type="checkbox"/> N/A			
7. Does the ERR contain the originally-signed Request for Release of Funds and Certification Form HUD-7015.16 (RROF/C)?	<input type="checkbox"/> N/A	<input type="checkbox"/> YES	<input type="checkbox"/> NO

8. Does the ERR contain one of the following originally-signed release of funds formats?  a. <input type="checkbox"/> Pre-Grant Award Environmental Approval Letter; Date: _____ b. <input type="checkbox"/> Authority to Use Grant Funds form; Date: _____	<input type="checkbox"/> N/A	<input type="checkbox"/> YES	<input type="checkbox"/> NO
9. Is there any evidence that funds from any source were expended (except for Exempt or CENST activities) and/or choice limiting actions undertaken by any source (acquisition including easements, site preparation, excavation, new construction, rehabilitations/renovations, demolition) prior to the date of DED's release of funds?	<input type="checkbox"/> N/A	<input type="checkbox"/> YES	<input type="checkbox"/> NO
10. Were conditions for approval and/or mitigation measures required as a condition of DED's release of funds?  a. If YES, does documentation exist as evidence that each condition was successfully implemented and/or approved by authorizing agencies and/or Tribes?  b. If NO to 10a. above, explain why and provide the RE's timeframe and plan for completing and documenting conditions for approval:	<input type="checkbox"/> N/A	<input type="checkbox"/> YES  <input type="checkbox"/> YES	<input type="checkbox"/> NO  <input type="checkbox"/> NO
11. Does the ERR include all environmental review amendments completed during the project and DED's approval of all amendments?	<input type="checkbox"/> N/A	<input type="checkbox"/> YES	<input type="checkbox"/> NO
12. Did the project require a tiered review approach?  If YES, does the ERR contain all Tier II Reviews and DED approval of each review?	<input type="checkbox"/> YES  <input type="checkbox"/> YES	<input type="checkbox"/> NO  <input type="checkbox"/> NO	
13. Does this monitoring indicate any need for follow-up monitoring or technical assistance by DED's Environmental Officer?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	
14. Based on review of the ERR, is the RE in compliance with HUD's 24 CFR Part 58 regulation and DED's environmental review requirements and processes?  If NO, explain below.	<input type="checkbox"/> YES	<input type="checkbox"/> NO	

COMMENTS/EXPLANATIONS: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## **EQUAL OPPORTUNITY/CIVIL RIGHTS**

Project  
No. \_\_\_\_\_

Reviewer \_\_\_\_\_

### **1. DIRECT BENEFICIARIES:**

“Total Direct Beneficiaries” will include all direct beneficiaries, including those of Hispanic ethnicity. “Hispanic Direct Beneficiaries” should include only those direct beneficiaries of Hispanic ethnicity.

	Total Direct Beneficiaries	Hispanic Direct Beneficiaries
White:		
Black/African American:		
Asian:		
American Indian/Alaskan Native:		
Native Hawaiian/Other Pacific Islander:		
American Indian/Alaskan Native & White:		
Asian & White:		
Black/African American & White:		
Am. Indian/Alaskan Native & Black/African Am.:		
Asian & Native Hawaiian/Other Pacific Islander:		
All Others:		
<b>TOTAL</b>		
Female Head of Household:		
Handicapped (Disabled):		
Elderly:		

### **2. DIRECT BENEFICIARY APPLICANTS**

“Total Direct Beneficiary Applicants” will include all direct beneficiary applicants, including those of Hispanic ethnicity. “Hispanic Direct Beneficiary Applicants” should include only those direct beneficiary applicants of Hispanic ethnicity.

	Total Direct Beneficiary Applicants	Hispanic Direct Beneficiary Applicants
White:		
Black/African American:		
Asian:		
American Indian/Alaskan Native:		
Native Hawaiian/Other Pacific Islander:		
American Indian/Alaskan Native & White:		
Asian & White:		
Black/African American & White:		
Am. Indian/Alaskan Native & Black/African Am.:		
Asian & Native Hawaiian/Other Pacific Islander:		
All Others:		
<b>TOTAL</b>		
Female Head of Household:		
Handicapped (Disabled):		
Elderly:		

## **EQUAL OPPORTUNITY/FAIR HOUSING**

### **7. CDBG EMPLOYMENT**

- A. Were any persons employed by the grantee specifically for the project?       Yes     No     N/A
- B. If yes, specify: \_\_\_\_\_

Did the grantee include equal opportunity guidelines in their advertising for positions paid by grantee?       Yes     No     N/A

### **8. FAIR HOUSING EFFORTS**

- A. List the actions the grantee has taken to affirmatively further Fair Housing. The grantee must conduct an action each year (12 month period) of the project, beginning with the grant award date.

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- B. Are the grantee's official actions to affirmatively further Fair Housing current?       Yes     No     N/A
- C. List the actions the grantee has taken to address the Analysis of Impediments to Fair Housing Choice. The grantee must conduct an action each year (12 month period) of the project, beginning with the grant award date.

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- D. Are the actions to the of Impediments to Fair Housing Choice current?       Yes     No     N/A

9. MBE/WBE/DBE-Section 3 Procurement Lists:

A. Was above list provided for construction activities?  Yes  No  N/A

B. Was above list provided for professional services activities?

Engineering Firms  Yes  No  N/A

Architectural Firms  Yes  No  N/A

Grant Administration  Yes  No  N/A

Appraisers  Yes  No  N/A

Review Appraisers  Yes  No  N/A

Title Services  Yes  No  N/A

Other Professional Services  Yes  No  N/A

10. CR-4 Report: Is grantee current with Contractor and Subcontractor Activity Report Submission?

Yes  No

11. Section 3 Report: Is grantee current with annual Section 3 Summary Report Submissions:

Yes  No

12. COMPLAINTS

A. Have any *written* equal opportunity/civil rights complaints been received?  Yes  No  N/A

B. Were the complaints handled appropriately?  Yes  No  N/A

C. Should the Missouri Human Rights Commission or HUD be contacted?  Yes  No  N/A

13. Is the grantee's file for this compliance area complete?  Yes  No

COMMENTS: \_\_\_\_\_

## PROCUREMENT

Project No. \_\_\_\_\_

Reviewer \_\_\_\_\_

### **1. GENERAL REQUIREMENTS**

- |  |                              |                             |                              |
|--|------------------------------|-----------------------------|------------------------------|
| A. Does the city have a written procurement policy?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| B. Does the city have a written conflict of interest policy?                               | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| C. Whose procurement policy was used in this project?<br><br>Was it implemented correctly? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

### **2. PROFESSIONAL SERVICES**

- |   | <u>Administration</u>        | <u>Engineering</u>          | <u>Other</u>   |
|---|------------------------------|-----------------------------|--|
| A. Did the grantee correctly prepare an RFP for administrators/professional service providers and RFQ for engineers/architects??  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No |
| B. Did the RFP/RFQ identify the appropriate evaluation factors?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No |
| C. Was the RFQ published in the newspaper of widest circulation?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No |
| D. Was the solicitation of the RFP/RFQ adequate?<br>(all firms on the CDBG administrator list contacted?)                         | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No |
| E. Was the RFP/RFQ published in a minority newspaper?<br><br>If not, were an adequate number of MBE/WBE firms directly solicited? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No |
| F. Does the grantee have minutes of contract award?<br><br>If not awarded to the lowest bidder, are selection criteria available? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No |
| G. Were unsuccessful bidders notified in writing?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No |
| H. Did the grantee receive approval if less than three bids/proposals were received?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No |

### **3. CONSTRUCTION**

- |   |                              |                             |                              |
|---|------------------------------|-----------------------------|------------------------------|
| A. Did the grantee use competitive sealed bids (contracts over \$25,000)?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| B. Did the advertisement require a bid bond, cashier's check, or other acceptable method for 5% of the bid?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| C. Did the advertisement contain language relating to labor provisions, state & Federal prevailing wage certifications, bonding, Section 3, and equal employment opportunity (EEO)?                       | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| D. Were descriptions of items/services on the invitation to bid clear and without reference to specific brand requirements unless the brand was used as an example of functional or quality requirements? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| E. Were bids advertised in the newspaper of widest circulation or the Dodge Report?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| F. Were bids advertised in a minority newspaper?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| G. If not, were an adequate number of MBE/WBE/Section 3 firms directly solicited?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| H. Was the Federal wage decision verified prior to opening bids?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| I. Was a public meeting held to open bids and minutes in the file?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| J. Were fewer than three bids received for any contract?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

- K. If so, did the grantee receive approval prior to awarding contract?  Yes  No  N/A
- L. Was the contract awarded to the lowest responsible bidder?  Yes  No  N/A
- M. If not, explain. \_\_\_\_\_
- N. Does the grantee have minutes of contract award?  Yes  No  N/A
- O. Were unsuccessful bidders notified in writing?  Yes  No  N/A
4. SMALL PURCHASES (less than \$2,500)
- A. Is there documentation of vendors, price quotations, and dates? (telephone bids, faxed bids, e-mails)  Yes  No  N/A
- B. Did the list of vendors include:
- MBE/WBE firms?  Yes  No  N/A
- Section 3 firms?  Yes  No  N/A
- C. Was selection purchased fairly?  Yes  No  N/A
- D. Was a purchase order/contract issued to the most advantageous vendor?  Yes  No  N/A
5. NONCOMPETITIVE PROPOSALS (Must be pre-approved by DED)
- A. Was the desired item available from only one source?  Yes  No  N/A
- If no, were costs eligible?  Yes  No  N/A
- B. Did the grantee receive authorization for noncompetitive negotiation?  Yes  No  N/A
- C. Was competition determined to be inadequate after soliciting all known sources?  Yes  No  N/A
- D. Were the goods or services needed immediately to meet a public emergency?  Yes  No  N/A
6. Is the grantee's file for this compliance area complete?  Yes  No

COMMENTS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## CONTRACT MANAGEMENT

Project No. \_\_\_\_\_

Reviewer \_\_\_\_\_

### 1. PROFESSIONAL SERVICE CONTRACT REVIEW

	<u>Admin</u>	<u>Architect/Eng</u>	<u>Other</u>
A. Name of Contracted Firm:	_____	_____	_____
B. Amount of Contract	_____	_____	_____
C. Do the RFFs match the amount of CDBG participation in the contract (to date)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
D. Do the RFFs exceed the funding approval line item?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
E. If so, were grant amendments approved?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
F. Is there evidence the contract was paid in full using all sources?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
G. Is the contract based upon either lump sum or cost plus a fixed fee?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
H. Is an original (not photocopy) contract available?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
I. Is the original properly executed? ( <i>signed &amp; dated</i> )	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
J. Did the grantee follow their own rules for executing this contract? (council action, attorney review)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
K. Does the date of the contract precede the award?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
L. If so, is there a contingency clause?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
M. Is the pricing clear?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
N. Is the scope of services detailed enough?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
O. Were contract amendments executed?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
i. Is the amendment clear and specific?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
ii. Did both parties sign the amendment?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
iii. Is amendment attached to the original contract?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
P. Is there an affirmative action plan for the professional service provider in file? ( <i>not necessarily in contract documents</i> )	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Q. Affidavit (E-Verify)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
R. Did the contract include the following:			
Title VI, Civil Rights Act of 1964	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Section 3 ( <i>only applicable over \$100,000</i> )	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Section 109	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Section 503	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Section 504	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Age Discrimination Act of 1975	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Executive Order 11246 ( <i>only over \$10,000</i> )	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Anti-Lobbying ( <i>only over \$100,000</i> )	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

2. CONSTRUCTION CONTRACT REVIEW	<u>1</u>	<u>2</u>	<u>3</u>			
A. Name of Contracted Firm:						
B. Amount of Contract:						
C. Do the RFFs match the amount of CDBG participation in the contract?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
D. Do the RFFs exceed the Funding Approval line item?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
E. If so, were grant amendments approved?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
F. Is there evidence contract was pd in full using all sources?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
G. Is the contract based upon either lump sum or unit price?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
H. Is an original contract available?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
I. Is the original properly executed ( <i>signed &amp; dated</i> )?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
J. Did the grantee follow their own rules for executing this contract ( <i>council action, attorney review</i> )?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
K. Did the right parties sign ( <i>CEO/Mayor or Presiding Commissioner/assignee</i> )?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
L. In general, are all of the parts of the contract included ( <i>original bid documents, contract form, general conditions, plans and specifications</i> ) and bound to one set of contract documents?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
M. Were addenda a part of the bid process?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
N. If so, are they noted clearly in the contract?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
O. Were contract amendments ( <i>change orders</i> ) executed?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
iv. Are they clear and specific?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
v. Do they detail cost?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
vi. Are they dated and numbered?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
P. Were the change orders approved by the grantee ( <i>not just engineer</i> )?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Q. Is the change order attached to the original contract?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
R. Specifically, does the construction contract include:						
i. A copy of the bid bond. Irrevocable letter of credit or other acceptable instrument (for contracts less than \$100,000)? ( <i>look at bid tab or in contract documents</i> )	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
ii. If an irrevocable letter of credit from a FDIC bank was issued in place of a performance bond, do irrevocable status and dates cover the life of the project?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
iii. Performance bond ( <i>over \$25,000</i> )	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
iv. Payment bond ( <i>over \$25,000</i> )	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
v. Federal Labor Standards Provisions	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
vi. Anti-Lobbying Certification	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
vii. Contractor ( <i>may be on bidder form</i> ) certification on:						
1. EEO	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
2. Section 3 & Segregated Facilities	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No

**viii. Subcontractor certifications on:**

1. EEO	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
2. Section 3 & Segregated Facilities	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
ix. Section 3 plan Format	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
x. Section 3 contractor Tables ( <i>A,B,C,D</i> )	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
xi. Have Tables C & D been updated at end of contract?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
xii. Relevant state prevailing wage determination	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
xiii. Relevant Federal prevailing wage determination	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
xiv. General Conditions ( <i>CDBG or equivalent</i> )	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
xv. HUD Supplemental Conditions, containing at least:						
1. Executive Order 11246	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
2. Affirmative Action Goals	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
3. Section 3	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
xvi. Appendix 1, containing at least:						
1. Title VI, Civil Rights of 1964	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
2. Title VIII, Civil Rights of 1968	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
3. Section 109	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4. Section 503	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
5. Section 504	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6. Age Discrimination Act of 1975	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
7. Executive Order 11063	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
S. Affidavit (E-Verify) General and Subcontractors	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
T. Architect or Engineer Certification for Acceptance and Final Payment.	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No

3. Is the grantee's file for this compliance area complete?                           Yes                           No

COMMENTS: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

## LABOR STANDARDS

Project No. \_\_\_\_\_

Reviewer \_\_\_\_\_

### 1. GENERAL

- |   |                              |                             |                              |
|---|------------------------------|-----------------------------|------------------------------|
| A. Are Federal and State wage decisions correct as shown in the contract(s)?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| B. Are all contractors and subcontractors licensed to do business in Missouri, registered in good standing with the Secretary of State's office ( <i>unless a sole proprietorship with non-fictitious name</i> ), and not appearing on any applicable Federal and State debarred lists? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| C. Is the contractor and Surety verification clearance letter in the file?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| D. Is the CDBG Start of Construction Notice on file?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| E. Is the Pre-Construction Conference Report on file?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| F. Is there a bulletin board in a central location at the work site where EEO provisions, wage determinations, health & safety regulations, Dept. of Labor wage notices, and the bilingual EEO notice are posted?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

### 2. PAYROLL REVIEW

- |   |                              |                             |                              |
|---|------------------------------|-----------------------------|------------------------------|
| A. Was the first payroll submitted to DED for each contractor and subcontractor?                                      | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| B. Are payrolls signed by employer or authorized representative?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| C. Was a statement of compliance submitted with each payroll?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| D. Is the employer IRS identification number on record?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| E. Do the payrolls contain the following for each employee:   |                              |                             |                              |
| i. Name and specific four-digit identifying number?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| ii. Work classification?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| iii. Hourly rates of wages paid?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| iv. Daily number of hours worked (including any overtime)?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| v. Weekly number of hours worked (including any overtime)?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| vi. Deductions shown ( <i>when applicable</i> )?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| vii. Gross and net wages paid?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| F. Do wages shown on payrolls equal or exceed the rates in the wage decisions?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| G. If split work classifications were used, are separate daily time records shown?                                    | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| H. If fringe benefits were paid into approved plans/funds/programs, has the hourly equivalent amount been documented? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| I. Were additional classifications (if necessary) obtained from USDOL?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| J. Has grantee documented review and approval of payrolls?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| K. Has overtime been correctly paid?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| L. Have OSHA cards been submitted for each employee?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

3. EMPLOYEE INTERVIEWS

- A. Identify all contractor(s) and subcontractor(s), with number of employee interviews conducted: \_\_\_\_\_
- B. Were a representative number of trades covered for each firm?  Yes  No  N/A
- C. Were interviews compared against payrolls for compliance?  Yes  No  N/A
- D. Were interviews compared against wage rates for compliance?  Yes  No  N/A
- E. Were interviews signed by the interviewer and verified by the payroll examiner (labor standards officer)?  Yes  No  N/A
4. Is the grantee's file for this compliance area complete?  Yes  No

COMMENTS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. WAGE RATE COMPLIANCE

- A. Federal Wage Decision(s): \_\_\_\_\_ B. State Annual Wage Order: \_\_\_\_\_

## Straight Time Compliance

## Overtime Compliance

## NOTES:

## ACQUISITION

Project No. \_\_\_\_\_

Reviewer \_\_\_\_\_

1. What type of acquisition was required:

Full Title	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Permanent Easement	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Long Term Lease	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Right of Way	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Temporary Easement (If checked, not subject to Uniform Act)	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Acquired from another public entity (If checked, not subject to Uniform Act)	<input type="checkbox"/> Yes	<input type="checkbox"/> No
here a separate file of each necessary acquisition?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

2. Is there a separate file of each necessary acquisition?

3. Does each file contain the following:

Property  
Owner's  
Name:

- Proof of ownership (Title or Deed)
  - Prelim-Acquisition Letter & HUD Brochure (hand delivered or certified mail)
  - Waiver of Rights to Just Compensation (if applicable)
  - Waiver Right to an Appraisal (if applicable)
    - If appraisal is not waived and property value above \$10,001, is a copy of the appraisal in the property owner's file.
  - Copy of Review appraisal (if applicable)
    - Was value of property valued at \$10,000 or less? If yes, was a review of available market data in the file (e.g., recent sales data, court awards, etc.)
  - Written offer to purchase (hand delivered or certified mail)
  - Proof of receipt of payment, i.e., a copy of the check to owner, (if not donated)
  - Recorded acquisition instrument (deed, permanent easement, temporary easement if applicable, long term lease, or right-of-way) (this document should correspond to question #1)

4. Were all incidental costs related to the acquisition and transfer of title from the property owner paid by the grantee (e.g., recording fees, boundary surveys, legal descriptions, mortgage penalties, transfer fee, pro-rated taxes, litigation expense, etc.)?  Yes  No

5. Was any grant funds used to clear the title? (no grant funds may be used to perfect a title)  Yes  No

6. If condemnation was required, does the judgment equal the amount paid?  Yes  No

7. Is the grantee's file for this compliance area complete?  Yes  No

## RELOCATION

Project No. \_\_\_\_\_

Reviewer \_\_\_\_\_

### 1. GENERAL

A. Is there a separate relocation file for each displacee?  Yes  No  N/A

### 2. NOTICES

A. Did the displacee receive the grantee's Notice of Eligibility For Relocation Assistance?  Yes  No  N/A

i. Hand delivered signed receipt?  Yes  No  N/A

or

ii. Certified mail receipt?  Yes  No  N/A

B. Did the displacee receive the applicable HUD brochure?  Yes  No  N/A

C. If yes, check the brochure received.

"Relocation Assistance to Tenants Displaced from Their Homes"

"Relocation Assistance to Displaced Homeowners"

"Relocation Assistance to Displaced Businesses, Nonprofit Organizations, and Farms"

i. Hand delivered signed receipt?  Yes  No  N/A

or

ii. Certified mail receipt?  Yes  No  N/A

D. If applicable, did the displacee receive the 90-day Advance Notice to Move?  Yes  No  N/A

i. Hand delivered signed receipt?  Yes  No  N/A

or

ii. Certified mail receipt?  Yes  No  N/A

iii. Date of Notice: \_\_\_\_\_

iv. Date occupant required to move: \_\_\_\_\_

### 3. RENTAL AGREEMENTS

A. If the grantee permitted an owner or tenant to occupy the real property acquired, was the rent charged equivalent to the fair rental value of the property?  Yes  No  N/A

B. Is there a short-term lease agreement in the file?  Yes  No  N/A

### 4. DETERMINATION OF DISPLACEE NEEDS BY GRANTEE

A. For families and individuals, are the following claim forms in the file:

i. Tenant Assistance or Downpayment Assistance?  Yes  No  N/A

ii. Replacement Housing Payment for 180-Day Homeowners?  Yes  No  N/A

iii. Moving and Related Expenses?  Yes  No  N/A

Fixed

Actual

B. For businesses, nonprofit organizations, and farm operations, are the following claim forms in the file:	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
i. Actual Reasonable Moving and Related Expenses?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
ii. Fixed Payment in Lieu of Payment for Actual Moving and Related Expenses?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<b>5. DONATION OF DISPLACEE PROPERTY</b>			
A. Did the displacee donate their property in lieu of relocation payment?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
i. If yes, was a signed donation/waiver in the file?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
ii. Hand delivered signed receipt?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
or			
iii. Certified mail receipt?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<b>6. PAYMENT DOCUMENTATION</b>			
A. Is there payment documentation for: (i.e., copy of canceled check)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
i. Relocation assistance?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
ii. Moving expenses?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<b>7. COMPARABLE REPLACEMENT UNIT DOCUMENTATION</b>			
A. Is the “Selection of Most Representative Comparable Replacement Dwelling” form in the file?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
B. Was a referral to at least one comparable replacement dwelling included in the notice of eligibility for relocation assistance?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
C. Is there evidence that the grantee inspected the replacement dwelling to determine that it met the decent, safe, and sanitary standards?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<b>8. LAST RESORT UNIT DOCUMENTATION</b>			
A. Has the grantee determined that:			
i. The unit is not feasible to rehabilitate? (i.e., rehabilitation cost estimate exceeds \$15,000)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
ii. No comparable replacement unit exists in the grantee’s jurisdiction? (i.e., copy of letter from realtor addressing the unavailability of comparable replacement units)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<b>9. INTERVIEW OF PROJECT DISPLACEE</b>			
A. Did the displacee receive notice of eligibility for relocation assistance?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
B. Was the grantee’s relocation assistance payment adequate?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
C. Was the grantee’s moving expenses payment adequate?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
D. Were the grantee’s advisory services sufficient?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
E. Does the displacee consider the grantee’s treatment and relocation assistance to be fair and reasonable? (interview)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

10. SECTION 104(d) ANTIDISPLACEMENT COMPLIANCE

- |   |                                 |                                      |                              |
|---|---------------------------------|--------------------------------------|------------------------------|
| A. Has the grantee demolished or converted any occupiable low to moderate income dwellings?   | <input type="checkbox"/> Yes    | <input type="checkbox"/> No          | <input type="checkbox"/> N/A |
| B. Has DED determined that the grantee has a sufficient number of low to moderate income units to grant an exception to the one-for-one replacement requirements? | <input type="checkbox"/> Yes    | <input type="checkbox"/> No          | <input type="checkbox"/> N/A |
| C. If not, does grantee have a specific one-for-one replacement plan approved by DED?   | <input type="checkbox"/> Yes    | <input type="checkbox"/> No          | <input type="checkbox"/> N/A |
| D. Was the displacee notified of relocation assistance available under 104(d), including option to choose Uniform Act Relocation Assistance?                      | <input type="checkbox"/> Yes    | <input type="checkbox"/> No          | <input type="checkbox"/> N/A |
| E. Which relocation assistance did the displacee choose?  | <input type="checkbox"/> 104(d) | <input type="checkbox"/> Uniform Act |                              |

11. Is the grantee's file for this compliance area complete?

COMMENTS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## **COMMERCIAL STRUCTURES & RESIDENTIAL-ONLY DEMOLITIONS**

Project No.\_\_\_\_\_

Reviewer\_\_\_\_\_

### **PROFESSIONAL SERVICES PROCUREMENT**

	<u>Demolition Inspector</u>	<u>Asbestos Inspector</u>	<u>Other</u>
A. Did the grantee correctly prepare an RFP for demolition inspector and <b>licensed</b> asbestos inspector services?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
B. Did the RFP identify the appropriate evaluation factors?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
C. Was the RFP published in the newspaper of widest circulation?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
D. Was the solicitation of the RFP adequate?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
E. Was the RFP published in a minority newspaper?  If not, were an adequate number of MBE/WBE firms directly solicited?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
F. Does the grantee have minutes of contract award?  If not awarded to the lowest bidder, are selection criteria available?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
G. Were unsuccessful bidders notified in writing?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
H. Did the grantee receive approval if less than three bids/proposals were received?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

### **DEMOLITION AND LICENSED ASBESTOS CONTRACTOR PROCUREMENT**

I. Did the grantee use competitive sealed bids (contracts over \$25,000)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
J. Did the advertisement require a bid bond, cashier's check, or other acceptable method for 5% of the bid? ( <i>for asbestos contractor require copy of license?</i> )	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
K. Did the advertisement contain language relating to certifications, bonding, Section 3, and equal employment opportunity (EEO)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
L. Were descriptions of services on the invitation to bid clear?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
M. Were bids advertised in the newspaper of widest circulation	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
N. Were bids advertised in a minority newspaper?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
O. If not, were an adequate number of MBE/WBE/Section 3 firms directly solicited?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
P. If applicable was the Federal wage decision verified prior to opening bids?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Q. Was a public meeting held to open bids and minutes in the file?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
R. Were fewer than three bids received for any contract?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
S. If so, did the grantee receive approval prior to awarding contract?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
T. Was the contract awarded to the lowest responsible bidder?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
U. If not, explain. _____			
V. Does the grantee have minutes of contract award?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
W. Were unsuccessful bidders notified in writing?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

1. DEMOLITION AND/OR ASBESTOS CONTRACT REVIEW	1	2	3			
A. Name of Contracted Firm:	<hr/>	<hr/>	<hr/>			
B. Amount of Contract:	<hr/>	<hr/>	<hr/>			
C. Do the RFFs match the amount of CDBG participation in the contract?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
D. Do the RFFs exceed the Funding Approval line item?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
E. If so, were grant amendments approved?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
F. Is there evidence contract was pd in full using all sources?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
G. Is the contract based upon either lump sum or unit price?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
H. Is an original contract available?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
I. Is the original properly executed ( <i>signed &amp; dated</i> )?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
J. Did the grantee follow their own rules for executing this contract ( <i>council action, attorney review</i> )?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
K. Did the right parties sign ( <i>CEO/Mayor or Presiding Commissioner/assignee</i> )?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
L. In general, are all of the parts of the contract included ( <i>original bid documents, contract form, general conditions, work write up</i> ) and bound to one set of contract documents?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
M. Were addenda a part of the bid process?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
N. If so, are they noted clearly in the contract?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
O. Were contract amendments ( <i>change orders</i> ) executed?  Are they clear and specific? Do they detail cost? Are they dated and numbered?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
P. Were the change orders approved by the grantee	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Q. Is the change order attached to the original contract?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
R. Specifically, does the construction contract include:  i. A copy of the bid bond. Irrevocable letter of credit or other acceptable instrument (for contracts less than \$100,000)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
ii. If an irrevocable letter of credit from a FDIC bank was issued in place of a performance bond, does the irrevocable status and dates cover the life of the project?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
iii. Performance bond ( <i>over \$25,000</i> )	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
iv. Payment bond ( <i>over \$25,000</i> )	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
v. Federal Labor Standards Provisions ( <i>if applicable</i> )	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
vi. Anti-Lobbying Certification ( <i>for contracts over \$100,000</i> )	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
vii. Contractor EEO certification	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
viii. Section 3 & Segregated Facilities	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
ix. Subcontractor EEO certifications	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No

x. Section 3 & Segregated Facilities	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
xi. Relevant Federal Prevailing wage determination	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
xii. HUD Supplemental Conditions, containing at least:						
Executive Order 11246	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Affirmative Action Goals	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Section 3	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
xiii. Summary of Civil Rights, Laws, Executive Orders & Regulations containing at least:						
Title VI, Civil Rights of 1964	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Title VIII, Civil Rights of 1968	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Section 109	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Section 3	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Section 503	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Section 504	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Age Discrimination Act of 1975	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Executive Order 11063	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
S. Copy of Asbestos contractor license?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
T. Affidavit (E-Verify)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
U. Certification of Completion for property ( <i>signed by demo inspector, contractor and property owner</i> )	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
2. Is the grantee's file for this compliance area complete?	<input type="checkbox"/> Yes		<input type="checkbox"/> No			

COMMENTS: \_\_\_\_\_

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Complete this page if a “DEMOLITION-ONLY” PROJECT (Y/N/NA).

Name of Owner	Proof of Ownership	Structure Vacant >12 Months	Signed Owner's Consent Form	Slum & Blight National Objective	Demolition Inspection Write-Up	Asbestos Inspection	Asbestos Contractor Procured	DNR Asbestos Post Notification	Demo Bid Date	Landfill Disposal Receipts	Fire Training Exercise
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											
11											
12											
13											
14											
15											
16											
17											
18											
19											
20											

## ECONOMIC DEVELOPMENT

Project No. \_\_\_\_\_

Reviewer \_\_\_\_\_

### 1. GENERAL

#### A. Company(s) Involved:

Name	Jobs to be Created/Retained	Existing Employees
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

#### B. LMI Company Owners:

Name
_____
_____

C. Private Investment Release Date: \_\_\_\_\_

D. Pledged private investment: \_\_\_\_\_

E. Amount of private investment documented: \_\_\_\_\_

F. Does this amount meet or exceed the pledged amount?  Yes  No  N/A

G. Other contributions: \_\_\_\_\_

### 2. ON-SITE REVIEW

A. Number of pledged jobs created/retained: \_\_\_\_\_

B. If pledged job creation/retention goals have not been reached, explain why not and when this goal will be achieved.

\_\_\_\_\_

C. Was payroll listing, including dates of hire, available and reviewed?  Yes  No  N/A

D. Was payroll listing compared to Employment Status Statements?  Yes  No  N/A

E. Is job documentation on file with the grantee?  Yes  No  N/A

F. Breakdown of jobs and applicants:

Name	Present Employment	New/Retained Jobs	Number Low/Mod Income	Number Low Income	Number Very Low Income

	Jobs		Applicants	
	Total Direct Beneficiaries	Hispanic Direct Beneficiaries	Total Direct Beneficiaries	Hispanic Direct Beneficiaries
White:				
Black/African American:				
Asian:				
American Indian/Alaskan Native:				
Native Hawaiian/Other Pacific Islander:				
American Indian/Alaskan Native & White:				
Asian & White:				
Black/African American & White:				
Am. Indian/Alaskan Native & Black/African Am.:				
Asian & Native Hawaiian/Other Pacific Islander:				
All Others:				
<b>TOTAL</b>				
Female Head of Household:				
Handicapped (Disabled):				
Elderly:				

- G. Is applicant documentation on file with the grantee?       Yes       No
3. Is the grantee's file for this compliance area complete?       Yes       No

COMMENTS: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

## MICROENTERPRISE

Project No. \_\_\_\_\_

Reviewer \_\_\_\_\_

### 1. GENERAL

#### A. Non LMI Company(s) Involved:

Name	Jobs to be Created/Retained	Existing Employees
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

#### B. LMI Company Owners:

Name	Jobs to be Created/Retained	Existing Employees
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

C. Is there an environmental assessment and release of funds for each company?  Yes  No  N/A

D. Pledged private investment: \_\_\_\_\_

E. Other contributions: \_\_\_\_\_

### 2. ON-SITE REVIEW

A. Is there a job created for every \$15,000 of loan funds?  Yes  No  N/A

B. How many microenterprise loans were made? \_\_\_\_\_

C. Were Loans made for eligible activities?  Yes  No  N/A

D. Are there an income surveys available to prove the LMI status?  Yes  No  N/A

E. How many loans were made to LMI owners? \_\_\_\_\_

F. Number of pledged jobs created/retained: \_\_\_\_\_

G. If pledged job creation/retention goals have not been reached, explain why not and when this goal will be achieved.

\_\_\_\_\_

H. Was payroll listing, including dates of hire, available and reviewed?  Yes  No  N/A

I. Was payroll listing compared to Employment Status Statements?  Yes  No  N/A

J. Is job documentation on file with the grantee?  Yes  No  N/A

K. Do jobs meet the full time permanent definition?  Yes  No  N/A

L. Have individual loans exceeded \$25,000?  Yes  No  N/A

M. If job retention has occurred, is there adequate "but for" documentation?  Yes  No  N/A

N. Has the local microenterprise program delivery been consistent with the local program guidelines established?  Yes  No  N/A

O. Is there evidence of a loan review board representing fair loan decisions?  Yes  No  N/A

P. Is there an executed contract for every microenterprise loan made?  Yes  No  N/A

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- Q. Has a RLF been established and is there a tracking method for repayment?  Yes  No  N/A
- R. Has a file been established for each microenterprise applicant?  Yes  No  N/A
- S. Does each microenterprise file contain the required documents? (contract, income status statements, current payroll register, etc.)  Yes  No  N/A
- T. Has the original \$100,000 of loan funds been loaned to microenterprise?  Yes  No  N/A
- U. Of the loans without LMI owners, have 51% of the jobs created been provided to LMI persons (list below)

Name	Present Employment	New/Retained Jobs	Number Low/Mod Income	Number Low Income	Number Very Low Income

	Company Name		Company Name	
	Total Direct Beneficiaries	Hispanic Direct Beneficiaries	Total Direct Beneficiaries	Hispanic Direct Beneficiaries
White:				
Black/African American:				
Asian:				
American Indian/Alaskan Native:				
Native Hawaiian/Other Pacific Islander:				
American Indian/Alaskan Native & White:				
Asian & White:				
Black/African American & White:				
Am. Indian/Alaskan Native & Black/African Am.:				
Asian & Native Hawaiian/Other Pacific Islander:				
All Others:				
<b>TOTAL</b>				
Female Head of Household:				
Handicapped (Disabled):				
Elderly:				

V. Is applicant documentation on file with the grantee?  Yes  No  N/A

W. Breakdown of applicants:

	Company Name	
	Total Direct Applicants	Hispanic Direct Applicants
White:		
Black/African American:		
Asian:		
American Indian/Alaskan Native:		
Native Hawaiian/Other Pacific Islander:		
American Indian/Alaskan Native & White:		
Asian & White:		
Black/African American & White:		
Am. Indian/Alaskan Native & Black/African Am.:		
Asian & Native Hawaiian/Other Pacific Islander:		
All Others:		
<b>TOTAL</b>		
Female Head of Household:		
Handicapped (Disabled):		
Elderly:		

### 3. MICROENTERPRISE

A. Has educational component described in application been successfully implemented and documentation of file?  Yes  No  N/A

## MICROENTERPRISE

(complete this form for each loan)

Grantee \_\_\_\_\_

Project No. \_\_\_\_\_

Use of funds: \_\_\_\_\_

Loan made to (name of company)	Amount of Loan	\$ _____
	Pledged Private Investment	\$ _____
	Other Contributions	\$ _____

Total amount of project: \_\_\_\_\_ x 70% = \_\_\_\_\_

Does Microenterprise loan exceed 70% of the total project cost?  Yes  No  N/A

Does loan exceed \$25,000?  Yes  No  N/A

Non LMI Company?  Yes  No      LMI Company Owners?  Yes  No

Name	Jobs to be Created/Retained	Existing Employees
_____	_____	_____
_____	_____	_____

Are income surveys available to prove the LMI status?  Yes  No  N/A

Was payroll listing, including dates of hire, available and reviewed?  Yes  No  N/A

Is there a job created for every \$15,000 of loan funds?  Yes  No  N/A

Was Loan made for eligible activities?  Yes  No  N/A

If pledged job creation/retention goals have not been reached, explain why not and when this goal will be achieved.  
\_\_\_\_\_  
\_\_\_\_\_

Was payroll listing compared to Employment Status Statements?  Yes  No  N/A

Do jobs meet the full time permanent definition?  Yes  No  N/A

(Two permanent part-time jobs are equal to one permanent full-time position)

Does file contain the following:

Executed contract?  Yes  No  N/A

Proof of ownership? (land & building purchases)  Yes  No  N/A

Environmental assessment?  Yes  No  N/A

SHPO clearance?  Yes  No  N/A

Has a RLF been established and is there a tracking method for repayment?  Yes  No  N/A

Has a file been established for each microenterprise applicant  Yes  No  N/A

Has educational component been implemented and documentation of file?  Yes  No  N/A

Was construction or rehab a part of the project?  Yes  No  N/A

Was prevailing wage paid correctly?  Yes  No  N/A

## **DED CONFLICT OF INTEREST PROGRAM POLICY**

The Community Development Block Grant Program, Department of Economic Development, State of Missouri, developed a conflict of interest policy in August 1983, relating to participation in contract selection, award, and administration. Since that time, this issue has arisen in other areas of the program. The State agreed, when it accepted the program in 1982, to abide by 24 CFR 570.611 of the Federal Regulations (conflict of interest) for the Community Development Block Grant Program. In an attempt to further clarify this issue for the State's program, the State has adopted, as of March 1, 1987, the following position on conflict of interest, incorporating the August 1983 policy and extending the policy further to address other areas as provided in 24 CFR 570.611.

### **Standard of Conduct Involving Conflict of Interest**

1. **Persons Covered:** The conflict of interest provisions of this policy shall apply to any person who is an employee, elected or appointed official, agent, consultant, officer, or any immediate family member\* or business partner of the above, of the recipient, or of any designated public agencies, or sub-recipients which are receiving funds from the Missouri Community Development Block Grant program.

**\* Immediate family is defined as husband, wife, son, daughter, father, mother, grandparent, grandchild, stepchild, adopted child, foster child, and wards.**

2. **Applicability:**
  - a. In the area of procurement of supplies, equipment, construction, and services by recipients, sub-recipients, or designated public agencies, the conflict of interest provisions in 24 CFR 85.36 or OMB Circular A-110, as applicable, shall apply.
  - b. In all cases not governed by 24 CFR 85.36, the provisions of this policy shall apply. Such cases include the acquisition and disposition of real property and the provisions of assistance by the recipient or sub-recipients to individuals, businesses, and other private entities in the form of grants, loans, or other assistance through eligible activities of the program which authorize assistance.
3. **Conflicts Prohibited:** Except for approved eligible administrative or personnel cost, no persons described in 1 above who exercise or have exercised any functions or responsibilities with respect to CDBG activities assisted under the State program or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a personal or financial interest or subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. For the State CDBG Economic Development Program, the above restrictions shall apply to all activities that are a part of the funding approval for all projects, and shall cover any such interest or benefit during, or at any time after, such person's tenure.
4. **Exception:** The State may, on a case by case basis, grant an exception to Section 3 above after a determination has been made by the State that the exception will serve the purposes of the Housing and Community Development Act of 1974 and the State's adopted Final Statement for each year therefor only after the recipient has provided to the State the following written documentation:
  - a. A disclosure of the nature of the conflict accompanied by an assurance that there has been a public disclosure of the conflict and a description of how the public disclosure was made (which may include either a public hearing or an appropriate comment period); and
  - b. An opinion of the recipient's attorney that the interest for which the exception is sought would not violate State or local law.

### **Standard of Determining Exception**

In determining whether to grant an exception, after the above two items have been received, the State shall consider the following factors, where applicable:

1. Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available
2. Whether an opportunity was provided for open competitive bidding or negotiation
3. Whether the person affected is a member of a group or class of low or moderate income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class
4. Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision-making process with respect to the specific assisted activity in question
5. Whether the interest or benefit was present before the affected person was in a position as described in Section 3
6. Whether undue hardship will result either to the recipient or the person affected when weighted against the public interest served by avoiding the prohibited conflict
7. Any other relevant considerations

If after all considerations, determination is made to grant an exception, the State shall issue a waiver noting such exception and the conditions and basis of the issuance of same.

## PROPERTY MANAGEMENT

### Introduction

During the course of a CDBG project, recipients may purchase a variety of items necessary to successfully carry out implementation. Depending on its nature and value, there must be an accounting for property acquired with CDBG monies in accordance with the provisions of 24 CFR 85, as modified by 24 CFR 570, Subpart J.

There are two broad classifications of property that may be acquired with CDBG monies. These are as follows:

1. Real Property – land, including improvements, structures, and appurtenances
2. Personal Property – includes all property that is not considered real property such as equipment, desks, computers, lumber, tools, supplies, or intangible items. Intangible items include patents, inventions, and copyrights. Personal property is further classified as:
  - Non-expendable – all tangible property having a useful life of more than one year and an acquisition cost of \$3000 or more per unit, such as computers
  - Expendable personal property – all tangible property other than non-expendable items, such as office supplies and construction materials

Title to real property acquired in whole or in part with CDBG monies shall vest with the community as long as it is used for its authorized CDBG eligible purpose. If real property is no longer needed for authorized CDBG purposes, the CDBG recipient shall request disposition instructions from DED as follows:

The amount of compensation shall be computed by applying the percentage of DED/Federal participation in the cost of the original purchase to the current fair market value of the property. For example, if the DED participation was 50% in the program and the fair market value of the equipment at the time of disposition is \$20,000, DED shall be reimbursed \$10,000. The Department may utilize the option of a 20-year straight-line depreciation schedule to determine repayment, if deemed appropriate, with the grantee's consent.

This rule extends to real property purchased, constructed, or rehabilitated with CDBG funds for grant recipients and sub-recipients.

A CDBG recipient may use non-expendable personal property for community development activities as long as it is needed, even if DED is no longer needed for the original program. The property should be used in conjunction with other Federally-sponsored activities in the following order:

- Activities sponsored by HUD
- Activities sponsored by other Federal agencies

Disposition of non-expendable personal property should take the same form as the explanation of real property.

DED regulations require maintaining effective control over all property acquired in whole or in part with CDBG funds. In addition, recipients are required to assure that it is used solely for authorized purposes.

DED requires the maintenance of a property register as an integral part of effective control over and accountability for all CDBG acquired property. All categories of property may be recorded on this single register, though separate registers should be kept for each project if the community administers more than one grant. When such property is purchased with CDBG funds, enter the applicable date on

the register using the procedures described below. For example, in the case of real property, you may want to record the previous owner of a purchased parcel of land. Recipients may also wish to maintain a property management card for each item obtained.

All purchased property must be adequately controlled and safeguarded. For example, real property, such as buildings, should be adequately equipped with security devices. Non-expendable property, such as desks and computers, should be reasonably protected from theft. In addition, the receipt and issuance of expendable personal property must be controlled.

### **Procedures**

1. Identify all assets in real and non-expendable personal property for each CDBG grant.
2. Classify all assets according to the following classification scheme:
  - a. real property
    1. land acquired
    2. land improved
    3. buildings and facilities
    4. equipment – non-moveable
  - b. non-expendable personal property
    1. valuation \$1 – \$300
    2. valuation \$301 – 4,999
    3. valuation \$5,000 or more
3. Conduct a complete inventory of all property assets at two-year intervals or at project close-out.
4. Identify all non-expendable personal property by a tag permanently affixed to it which provides the following information:
  - a. CDBG grant and year
  - b. I.D. number
5. Maintain a property register for each CDBG grant. The register shall consist of a current and complete listing of all property acquisitions and dispositions. If, as part of the close-out process, the grantee is directed to compensate DED or the Federal government for its share of the property, then the method used to determine the fair market value should be noted.
6. In addition to the information contained on the register, a Property Management Card file for each item may be maintained to:
  - a. provide a continuous record of the current value of the property
  - b. maintain coding classification references, location, and use information
  - c. provide a subsidiary file tied to the property register
7. For expendable personal property, such as that used in housing rehabilitation projects (lumber and electrical fixtures), there must be:
  - a. adequate records of the receipt of goods, issuance of goods, and balance of items on hand
  - b. documentation of the person who authorized the issuance of goods

- c. documentation of the location, such as a house or project, to which the goods were delivered
- d. documentation of the individual who received the goods

Other expendable personal property, such as office supplies, does not need this level of control. However, items must be adequately safeguarded.

**\*\*PROGRAM ADMINISTRATION HELPFUL HINTS\*\***

- ❖ Lack of attention to compliance slows project progress.
- ❖ Poor paperwork organization spells trouble.
- ❖ Assigning one point of contact with the city or county eases communication and lessens misunderstanding.
- ❖ Remember that the responsibility of the grant rests with the city or county.
- ❖ Keep a set of records at the city hall or county courthouse.
- ❖ Monitor yourself before the state monitors you.
- ❖ Conflict of interest cannot be fixed after it occurs. Recognize it and take action ahead of time.
- ❖ Real property purchased with CDBG funds is subject to repayment if it changes hands.

**(More helpful hints can be found at the end of Chapters II through XI.)**

## **CHAPTER II**

### **CITIZEN PARTICIPATION**

Public Law 100-242, Housing and Community Development Act of 1987, better known as the 1988 Amendments to the Housing and Community Development Act of 1974, was signed into law on February 5, 1988. Section 508 of the new law deals with additions to citizen participation requirements of Section 104(a)(2) of the 1974 Act, as amended.

Public Law 100-242, Section 508 requires the State to develop a written Citizens Participation Plan to incorporate the requirements of the new law. The State of Missouri has developed such a plan, which became effective March 4, 1988. Regulations allowed the new law to be incorporated into the State's funding cycle at the time it was enacted and not retroactively. This Plan was amended November 1, 1988, and November 1, 1990, and such amendments became effective those dates, and are not retroactive.

The following provisions are contained in the State's adopted Citizens Participation Plan and apply to all applications received after March 4, 1988:

1. Recipients **must demonstrate** that reasonable efforts to ensure involvement of citizens or citizen organizations throughout all stages of the program shall be or have been undertaken. There shall be the opportunity for involvement of low-and moderate-income persons, members of minority groups, residents of areas where Community Development Block Grant assisted activity is proposed or ongoing, residents of slum or blighted areas, the elderly, the handicapped, the business community, and civic groups concerned about the program. Citizens and citizen organizations shall be provided the opportunity to assess and submit comments on all aspects of the City's Community Development Program performance. **All records of above efforts shall be made a part of grant files.**
2. All applicants for and recipients of Community Development Block Grant funds shall be required to conduct all aspects of the Community Development Program in an open manner with access to records on the proposed and actual use of funds for all interested persons. **All records of applications and funded grants must be kept at the recipient/grantee's offices and be available during normal working hours.** Any activity of the Community Development Program, with the exception of confidential matters relating to the housing rehabilitation and economic development programs, shall be open to examination by all citizens.
3. The applicant/recipient must provide technical assistance, at the level of expertise available at City Hall, to groups representative of persons of low-and moderate-income who request such assistance in developing proposals. All application materials and instructions shall be provided at no cost to any such group requesting it.
4. Citizens shall be provided adequate and timely information, so as to enable them to be meaningfully involved in important decisions at the various stages of the program, including at least the development of needs, the review of the proposed activities, and review of past program performance, in the following manner:
  - a. **At least one public hearing** shall be held prior to an application being submitted to the State for funding through the CDBG program. Hearings shall be scheduled at a time and location felt to be most likely possible for the majority of interested citizens to attend without undue inconvenience. The development of needs and the review of the proposed activities must be addressed at this hearing as reflected by minutes of the hearing. For competitive applications, the hearing cannot be less than **15 full days (actually 17 days, as the day of the hearing and the application deadline date cannot be counted as one of**

**the 15 full days) prior to application deadline or more than six months prior to application submittal.** For open cycle applications, the 15-day rule does not apply. The review of past program performance must be addressed in public hearing prior to grant close-out. Proof of said hearing will be part of close-out documentation.

- b. **Notification of any and all hearings shall be given a minimum of five full days (actually seven days, as the day of the notice and the day of the hearing cannot be counted as one of the five full days) in advance to allow citizens the opportunity to schedule their attendance.** Said notification shall be in the form of **display-type advertisements** in the newspaper with greatest local distribution, and/or by posting, letters, flyers, and any other forms that are clearly documented with wide circulation. **All hearings must be accessible to handicapped persons.** Consultation with CDBG staff is recommended prior to posting.
5. Provisions for interpretation shall be made available at all public hearings for non-English speaking residents, if 15% or more of such residents are expected to be in attendance.
6. The mayor or presiding commissioner's office shall receive and relate to appropriate persons or groups any views or proposals submitted within the decision-making time. Any criticism submitted in writing at any time should be answered in writing within 15 working days of receipt. All complaints shall be received and acted upon within 15 days by the mayor or presiding commissioner's office. If the complaint is not resolved, it shall be referred to the governing body for final disposition. The close-out process cannot be completed with outstanding citizens' complaints.

**The above provisions of the Plan will be monitored by field representatives in accordance with the Citizen Participation Field Review form.**

As noted in the Plan, a public hearing must be held prior to submittal of a formal application and prior to passage of the resolution to submit the application. The second hearing must address the performance on the funded grant at a minimum of 80% completion.

Sample public hearing notices can be found on the following pages. Minutes of all public hearings should be maintained indicating topics covered, including specific previous grant performance reviewed in the hearing(s).

## PUBLIC HEARING NOTICES

### **HEARING NO. 1**

1. The newspaper notice must include the following information:
  - a. The city/county intends to submit an application for CDBG funds
  - b. The maximum grant amount
  - c. The type of activities that may be undertaken include the improvement of public works, public facilities, housing rehabilitation, and others as allowed by law
  - d. At least 51% of the funds must be used to benefit low- and moderate-income persons, or the funds will be used to eliminate slums and blight, as applicable
  - e. There will be minimization of displacement of persons resulting from the project, and assistance to any displaced persons would be provided according to the Uniform Relocation and Real Property Acquisition Act of 1970, as amended, and Section 104(d), Section 104(k), or Section 105(a)(11) of the Title I Act
  - f. The city/county is soliciting citizen input on the entity's on-going community development needs
  - g. Description of proposed project for which the city/county is applying
  - h. Total estimated project cost, including amount being applied for, other state/Federal funds, local contribution proposed, etc.
    - i. Specific location of project, either community-wide or boundaries (by name) of target area
    - j. Percent of low- and moderate-income benefit of the proposed project (if known), or at least 51%
    - k. Encouragement of area residents to attend
2. The notice must be sufficient in size and clarity to properly gain public attention.
3. A copy of the notice must be included in the application.

## SAMPLE PUBLIC NOTICE - HEARING NO. 1

The City of Anytown will hold a public hearing on January 3, 2005, 7:00 p.m. at City Hall to discuss the city's submission of an application for the Fiscal Year 2005 Community Development Block Grant (CDBG) program. The city is interested in obtaining all citizens' input on community development needs within the city. As part of the hearing process citizens will be asked to verbally assist in the completion of a Needs Assessment document. The document will detail what the residents feel are the strengths and weaknesses of the community. The city needs as much local participation as possible in order to reflect the true desires of the community as a whole, as well as the comments relating to the proposed project application. The State has established a maximum application request for each funding category. Activities that are eligible for funding include the improvement of public works, public facilities, housing rehabilitation, and others allowed by law. At least 51% of the funds must be used to benefit low- and moderate-income persons. No displacement of persons will be proposed.

The city is proposing to replace some sewer lines, install some new sewer lines, and install a lift station in the southeast part of the city. The area to be addressed is bounded by Main Street on the east, Gordon Street on the west, BN Railroad on the north, and the City Limits on the south. The total project cost is estimated at \$322,000. The city proposes to contribute \$48,000 in cash, \$45,000 in-kind labor by city crews, with grant funds of \$229,000 needed to make up the balance. The project, if funded, will benefit 57% low- and moderate-income persons. All citizens, including those in the targeted area, are encouraged to attend in order to comment on the proposed activities.

For more information, or if you require special accommodations at the hearing, contact Jane Doe at 314-888-8888.

## **HEARING NO. 2**

A second public hearing on grant performance is required after a minimum of 80% of grant completion. Documentation shall include the newspaper advertisement and the minutes of the hearing. This must be submitted to DED as part of the close-out process.

### **SAMPLE PUBLIC NOTICE - HEARING NO. 2**

The City of Waterville will hold a public hearing at 6:30 p.m. prior to regular Council meeting on February 24, 2005, in Council Chambers at City Hall to discuss the past performance by the City in carrying out the City's 2002 water project in the northwest section of town. Approximately 3,120 LF of 2" cast iron water line was replaced with 6" PVC line, and a new ground storage unit was installed to help the water supply problem in peak periods. All interested citizens and groups are encouraged to attend the scheduled hearing.

For more information, or if you require special accommodations at the hearing, please contact Jane Doe at 314-888-8888.

### **\*\*CITIZEN PARTICIPATION HELPFUL HINTS\*\***

- ❖ Projects with large community involvement and understanding are always more successful.
- ❖ Fifteen full days between the public hearing and the application deadline really means seventeen days.
- ❖ Five full days between the announcement of the hearing (publication or posting) and the hearing really means seven days.
- ❖ If you post your meeting notice instead of publishing it, then you must document the sites of the posting and the date.
- ❖ Change the sample publication notice to match your project.
- ❖ Hold your public hearing in a handicapped accessible location.
- ❖ Keep an attendance list at all hearings and meetings, as well as minutes.
- ❖ Respond to all request or complaints addressed at public hearings.

## **CHAPTER III**

### **FINANCIAL MANAGEMENT**

#### **Introduction**

Perhaps the most important element of CDBG administration is financial management. Without adequate books, recordkeeping and reporting systems, even the best program may face an adverse audit.

This chapter outlines the financial management standards and procedures for administering state CDBG grants. Grantees should become familiar with these standards and procedures to facilitate project administration and to avoid having problems arise at the time of grant close-out and audit.

#### **Financial Management Standards**

The basic standards and requirements governing the financial management of CDBG projects consist of those found in:

1. 24 CFR 85, "Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federal by Recognized Indian Tribal Governments," as modified by 24 CFR 570, Subpart J, "Grant Administration"
2. OMB Circular A-87 "Cost Principles for State and Local Governments"
3. CDBG Management Handbook - Procedures for State and Local Governments for grant payments, program monitoring, reporting, and program execution

In some cases, DED has modified requirements of 1 and 2 above. The rules outlined in this manual shall be given preference in such cases.

#### **Areas of Financial Management**

This chapter outlines the basic procedures and forms necessary to comply with CDBG standards in four areas of financial management. These areas cover:

1. Grant payment procedures
2. Establishing and maintaining the CDBG accounting system
3. Identifying and using program income
4. Reporting on grant financial activity to DED

Examples of financial management procedures and forms pertaining to these areas are presented where appropriate.

## GRANT PAYMENT

Five steps must be completed before grant recipients can receive CDBG monies:

1. **executing the grant agreement**
2. **submitting signed original Authorized Signature (SFM01) Form to DED**
3. **submitting signed original Designation of Depository (SFM02) Form to DED**
4. **submitting the Vendor Input/ACH-EFT Application**
5. **submitting the first Request for Funds (RFF) Form to DED**

The procedures involved in completing these steps are described below. **It is strongly recommended that grantees NOT submit the first RFF prior to completing the other four steps.** The processing time needed to set up electronic accounts with the state's Office of Administration averages approximately ten days. The RFF cannot be processed until the account set-up is complete and active.

### **Executing the Grant Agreement**

Execution of the grant agreement is complete only after the grant agreement has been signed by the grantee and by the director of the Department of Economic Development. Generally, the process of executing the grant agreement occurs in the following way:

1. After reviewing and approving the grant application, DED notifies the applicant that the proposed project has been selected for funding and that a contract agreement will be forthcoming.
2. DED then prepares a contract agreement and forwards copies to the applicant.
3. The applicant executes the agreement by signing, attesting, and stamping it with the **official seal** of the community.
4. The applicant returns all copies to DED.
5. The copies are then signed and approved by the Director of DED.
6. A copy of the fully executed grant agreement is returned to the applicant.

In addition to acknowledging acceptance of the CDBG award, execution of the grant agreement serves at least two other purposes. One, it acknowledges that the recipient accepts and will comply with all Federal and State requirements governing administration of the grant; and two, it sets out the terms and conditions of the award that must be satisfied before funds will be released for certain activities. Costs for exempt project activities can be incurred only **after** the date of the grant agreement. Costs for project activities that are subject to specific contract conditions (e.g., environmental review) can be incurred only after execution of the agreement and removal of the conditions. (See Notice of Removal of Grant Conditions in the Environmental Review Chapter.)



(DED Form GA-2011)  
**STATE OF MISSOURI**  
**DEPARTMENT OF ECONOMIC DEVELOPMENT**  
**COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

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This Grant Agreement is made by and between the State of Missouri, Department of Economic Development (DED), herein called the "State" or "DED," and the City/County of \_\_\_\_\_, herein called the "Grantee," pursuant to the authority of the Housing and Community Development Act of 1974 (Public Law 93-383), as amended, herein referred to as "The Act" and commonly referred to as the Community Development Block Grant Program (CDBG). The Grantee's submissions (including "Assurances") for CDBG assistance, Department of Housing and Urban Development (HUD) regulations at 24 CFR Part 570, the State's FY-2013 "Consolidated Plan," the State's FY-2013 CDBG Administrative Manual, and the State's FY-2013 CDBG Program Guidelines (as now in effect and as may be amended from time to time), which are incorporated by reference, together with the DED Funding Approval form, and any special conditions, which are hereto attached, constitute part of this Agreement.

In reliance upon and in consideration of the mutual representations and obligations hereunder, the State and the Grantee agree as follows:

1. Subject to the provisions of this Grant Agreement, the State will make the funding assistance for Federal fiscal year 2013 specified in the attached DED Funding Approval form (the "Funding Assistance") available to the Grantee for completion of the project identified on the Grantee's FY 2013 CDBG Application (the "Project") upon execution of the Agreement by the parties. The obligation and utilization of the Funding Assistance is subject to the requirements for a release of funds by the State under the Environmental Review Procedures at 24 CFR Part 58 for any activities requiring such release.
2. The Grantee agrees that it will complete the Project within three years from the effective date of this CDBG Grant Agreement.
3. The Grantee agrees to comply with the principles for determining allowable costs found in 2 CFR 225 (OMB Circular A-87).
4. The Grantee agrees to accept responsibility for adherence to this Agreement by any and all subrecipient entities to which it makes available any portion of the Funding Assistance.
5. The Grantee agrees that any and all such amount of local funds or in-kind (force account) services or materials indicated in the attached Funding Approval form shall be equal to or greater than the amount indicated.
6. The Grantee agrees that any proposed construction-related activity budget variances (from the Funding Approval form) in excess of 10% of the amount of this Agreement or \$10,000 (whichever is a lesser amount) shall be approved by DED in writing prior to an obligation of funds for such activity; however, any variance shall be approved by the Grantee's governing body in advance of an obligation of such activity. No variance is allowed for non-construction activities, such as administration, engineering, audit, and inspection, unless approved by DED.
7. The Grantee agrees to complete the Project in its entirety and as indicated in the Funding Approval form unless amended in writing and executed by all parties to this Agreement.
8. The Grantee agrees to comply with all state or federal legal, programmatic, or administrative requirements imposed by or described in the CDBG Administrative Manual or the CDBG 2013 Guidelines. The Grantee also agrees to comply with any other requirements of the State, including special requirements of law, program requirements, and other administrative requirements. The Grantee is aware that this includes, but is not limited to, the requirement that a grant recipient must

repay to the State, upon sale of the CDBG-funded real property to a non-eligible entity, a pro-rata portion of the proceeds of the sale, as set forth in the CDBG Administrative Manual.

9. The Grantee agrees that upon Project completion, any CDBG funds remaining from the allocation indicated in the Funding Approval form shall be returned to DED if they have been drawn to the Grantee's local depository, or cancelled if such funds have not been drawn.
10. The Grantee agrees to comply with OMB Circular A-133, which governs the auditing requirements of these grant monies in accordance with the Single Audit Act of 1984 (amended 1996), and to provide DED with all required audits. The Catalog of Federal Domestic Assistance (CFDA) number for state CDBG grants is 14.228.
11. The Grantee agrees that State and HUD officials shall have full access to any documents or materials relating to this Agreement at any reasonable time.
12. The Grantee agrees that all funds received under this Agreement shall be held and used by the Grantee for the purpose of accomplishing the Project only, and none of the funds so held or received shall be diverted to any other use or purpose.
13. The Grantee agrees that any material prepared by the Grantee or persons or firms employed or contracted by the Grantee shall not be subject to copyright, and the State shall have the unrestricted authority to publish, distribute, or otherwise use, in whole or in part, any reports, data, or other material prepared under this Agreement.
14. The Grantee agrees that any approval of contracts, sub-contracts, material or service orders, or any other obligation by the Grantee or its agents shall not be deemed an obligation by the State, and the State shall not be responsible for fulfillment of the Grantee's obligations.
15. The Grantee agrees to comply with the citizen participation requirements set out in Section 104(a) of the Act, including the State's written Citizens Participation Plan in accordance with Section 508 of the Housing and Community Development Act of 1987.
16. The Grantee agrees to adopt and enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations in accordance with Section 519 of Public Law 101-144, and also agrees to enforce applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.
17. Any Grantee receiving over \$100,000 in CDBG funds agrees to carry out the terms of the "Certification Regarding Government-Wide Restriction on Lobbying" attached hereto and made a part hereof by signing same.
18. The Grantee agrees to comply with all reporting requirements of the United States Dept. of Housing and Urban Development performance measurement or financial systems, including but not limited to the Disaster Recovery Grant Reporting (DRGR) system or Integrated Disbursement and Information System (IDIS). DED may suspend requests for CDBG funds by the Grantee for failure to comply with any specific requirement of reporting.
19. The Grantee agrees to comply with the policies and procedures set forth in Executive Order 96-03 for the protection of Missouri's wetlands.
20. The Grantee agrees to obtain and comply with all relevant State and/or Federal permits and licenses related to construction and operation of any development activity funded by CDBG. The Grantee agrees and understands that copies of those permits and licenses shall be made available to CDBG, DED, or HUD upon request. The Grantee acknowledges that a lack of any such applicable permit or license may restrict access by the Grantee to the Funding Assistance.
21. In the event that the Grantee has, in DED's sole discretion, failed to comply with this Agreement or any other CDBG program requirement, the Grantee shall perform any remedial actions determined appropriate by the State to correct the deficiency, which actions may include, but are not limited to:

- a. The Grantee's repayment or reimbursement to the State or local CDBG fund (at DED's discretion) of inappropriately used CDBG funds
- b. The Grantee's return to the State of CDBG funds deposited at the Grantee's local financial institution
- c. The Grantee's return to DED or the supplier of any equipment, materials, or supplies purchased, leased, or lease purchased using CDBG funds
- d. Any other actions the State deems appropriate

Such actions shall be performed by the Grantee in the time period specified by the State in writing to the Grantee. The State may also refuse the Grantee's requests for CDBG funds or take other actions as the State deems appropriate to ensure proper performance of the terms of this Agreement and compliance with CDBG requirements.

22. The State may terminate this Agreement in whole or in part, at any time, including before Project completion, whenever it is determined by the State that the Grantee has failed to comply with the conditions of this Agreement. The State shall notify the Grantee in writing of the determination and the reasons for the termination, together with the effective date. The Grantee shall not obligate the Funding Assistance in any way after the effective date of the termination of the Agreement and it shall be the Grantee's duty to take any and all legal efforts to cancel any obligations outstanding upon termination.
23. The State and Grantee each binds himself to his successors, executors, administrators, assigns, and legal representatives to the other party to this Agreement and to the successors executors, administrators, assigns, and legal representatives of such other party, in respect to all covenants, agreements, and obligations of this Agreement.
24. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in Section 104(g) of the Act, the National Environmental Policy Act of 1969 and published in 24 CFR Part 58.
25. The Grantee agrees to comply with all applicable requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601), Sections 104(d), 104(k), and 105(a)(11) of the Act.
26. The Grantee agrees to comply with the lead-based paint hazard control laws and regulations specified in Title X of the Housing and Community Development Act of 1992, implementing regulations at 24 CFR Part 35; State statutes governing the licensing and conduct of persons addressing lead paint at Sections 701.300 - 701.324, RSMO and Work Practice Standards at 19 CSR 30-70; and OSHA regulations at 29 CFR 1926.
27. The Grantee agrees to comply with Public Law 103-355 concerning procurement standards, except that the maximum threshold for small purchases shall remain at \$25,000.
28. The Grantee agrees to comply with federal labor standards requirements as defined in the Davis-Bacon Act, the Copeland Anti-Kickback Act, the Contract Work Hours and Safety Standards Act and the Missouri Prevailing Wage Law.
29. The Grantee agrees to comply with the requirements of the eVerify federal work authorization program as defined in Section 285.525(6), RSMo., with respect to employees working in connection with the activities funded by the grant.
30. The Grantee agrees that as applicable, contracting organizations and their principals are not suspended or debarred from federal procurement and non-procurement programs.
31. The Grantee agrees that any program income generated by the use of CDBG funds (including, but not limited to, sale of property acquired or constructed in whole or in part with CDBG funds) will be used for CDBG eligible activities that meet a HUD national objective, or returned to DED. Use of program income is entirely at DED discretion. The Grantee also agrees that it will inform DED of the

generation of any program income after the closing of the project. Program income generated while the project remains open and active must be used for CDBG-eligible costs prior to drawing additional CDBG funds for those costs.

32. The Grantee agrees to comply with the conflict of interest provisions specified in the CDBG 2013 Guidelines.
33. The State agrees that it may, at any time, in its sole discretion, give any consent, deferment, subordination, release, satisfaction, or termination of any or all of the Grantee's obligations under this Agreement, with or without valuable consideration, upon such terms and conditions as the State may determine to be (a) advisable to further the purpose of the Project or to protect the State's financial interest therein, and (b) consistent with both the statutory purposes of the grant and the limitations of the statutory authority under which it was made.

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement as of the day and year indicated in the Funding Approval form.

**GRANTEE (CITY/VILLAGE/COUNTY):**

TYPED NAME:

SIGNATURE

---

CHIEF EXECUTIVE OFFICER

(City Mayor, Village Board Chairman, or  
Presiding County Commissioner)

DATE

TYPED NAME:

SIGNATURE

---

ATTEST

DATE

(City, Village, County Clerk, or other official of the  
Grantee)

**Note:** The Grantee's seal must be affixed over the Grantee's signatures. If no such seal exists, it must be properly notarized. Three copies with original and typed signatures are required.

**STATE OF MISSOURI**

TYPED NAME:

SIGNATURE

---

DATE

Sallie Hemenway, Director,  
Business and Community Services

DEPARTMENT OF ECONOMIC  
DEVELOPMENT



**MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM  
FUNDING APPROVAL**

under Title 1 of the Housing and Community Development Act of 1974 (Public Law 93-383) as amended.

1. NAME AND ADDRESS OF GRANTEE <b>Anytown</b> <b>P.O. Box 15</b> <b>Anytown, Missouri 64487</b> <b>NE Any County</b>					10. PROJECT DESCRIPTION (indicate specific scope of each activity regardless of funding source)  The city will construct a new 50,000 gallon, legged elevated storage tower, located approximately 400 feet east from the existing tower on property owned by the city. The old tower will be demolished. The district will install approximately 66,000 LF of waterline from the city limits to interconnect to the district. The city will decommission their current water treatment facility and wells because of significant deficiencies. CDBG funds will only be used for tower construction and the interconnection fee. No CDBG funds will be used for work on the PWSD waterline.				
2. PROJECT NUMBER <b>2020-PF-06</b>			3. SEN. DIST.      REP. DIST. <b>12      4</b>						
4. POPULATION <b>342</b>			5. NO. OF BENEFICIARIES <b>342p      118f</b>						
6. GRANT AWARD DATE <b>04/09/21</b>			7. GRANTEE FYE DATE <b>30-Jun</b>						
8. MAXIMUM CDBG GRANT AMOUNT AWARDED <b>\$499,250</b>					USDA Loan: \$333,000 USDA Grant: \$407,000				
9. APPROVED ACTIVITIES, COSTS, AND FUNDING STRATEGY <b>NAR 11/29/2011</b>					NATIONAL OBJECTIVE: LMI-survey LMI PERSONS: <b>79.0%</b> LMI FAMILIES: <b>77.0%</b>				
PROGRAM ACTIVITY	ACT. NO.	ENV. REL. REQ.	TOTAL	CDBG FUNDS(2)	MATCHING FUNDS				
					CASH	IN-KIND	PRIVATE	OTHER	
DB-Water Storage	9	Y	\$ 606,375	\$ 475,000	\$ 94,500				\$ 36,875
DB - Water Distribution	64	Y	\$ 484,338		\$ 238,500				\$ 245,838
Acquisition	1	Y	\$ 2,000						\$ 2,000
Engineering Design	36	N	\$ 60,807						\$ 60,807
Construction Inspection	38	N	\$ 36,980						\$ 36,980
Other Professional Services	47	N	\$ 14,500						\$ 14,500
Administration	35	N	\$ 24,250	\$ 24,250					
Legal	56	N	\$ 10,000						\$ 10,000
<i>Davis Bacon applies where specified by the initials DB</i>									
<b>TOTAL</b>			<b>\$ 1,239,250</b>	<b>\$ 499,250</b>	<b>\$ 333,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 407,000</b>	
(1) Funds for activities that are conditioned subject to an environmental review may not be incurred or obligated until a written "Notice of Removal of Grant Conditions" is issued by DED.									
(2) This column represents the maximum amount of CDBG funds approved for each activity, except that the grantee may transfer funds between activities an amount not to exceed \$10,000 or 10% of the total CDBG allocation, whichever is less, except that administration, audit, and engineering costs									
PREPARED BY <b>Andy Papen</b>					DATE <b>04/16/21</b>				

### **Completing and Submitting Authorized Signature Form (SFM01)**

Grant recipients must prepare and submit to DED the Authorized Signatures Form. This form designates not less than two local officials who will be authorized to sign the Requests for Funds (RFF). Persons signing the Signature Form must be city/county officials and/or employees. The names and titles of these persons on the Signature Form must be signed by each person **exactly** as their name appears on the form. Another independent local official must then certify that the individuals listed at the top of the form are authorized to co-sign RFFs by signing on the bottom portion of the form. The certifying official **must be the highest ranking elected official whose name is not listed as a co-signer on the Signature Form.** This official cannot co-sign RFFs submitted to DED.

Administrators who are not city/county officials and/or city/county employees are not permitted to sign the Signature Form.

**Note:** Per Sections 54.100 and 95.060 RSMO 1978, county and city treasurers will control the receipt of county or city monies and should disburse the same.

The completed Signature Form with **original** signatures, free of erasures and corrections, must be sent to DED. A second copy should be placed in the grantee's project files. New signature forms must be resubmitted if less than two signatures remain with authority to submit RFFs, or a separate DED award is made to the same recipient in a subsequent year.

### **Completing and Submitting Designation of Depository Form (SFM02)**

Grant recipients must also notify DED where grant payments are to be deposited. This requires that recipients submit information about the account to DED on the Designation of Depository form. However, the CDBG Program requires that the CDBG funds be kept in a separate, non-interest bearing account. Therefore, the funds should be transferred, from the account into which they are deposited, to the CDBG account immediately upon receipt if the receiving account is interest-bearing. The grantee must designate, on the SFM02 form in Section 2, the account into which CDBG funds be transferred. You may elect to have CDBG funds deposited into a general account. However, since many general accounts are interest-bearing, the funds must be transferred to a non-interest bearing account immediately after deposit.

**The State's Office of Administration will now permit CDBG grantees to receive funds directly into a separate CDBG account, rather than going through the city or county's general account, as long as the account is so designated on the ACH form and Vendor Input form as "City of Anytown – CDBG". This title must be listed on the ACH form by Vendor's name.** Grantees may choose which options best suit their needs.

The State of Missouri purges vendor account information from the state accounting system for vendors with no activity for a period of 12 months or more. Please monitor the status of activity on your CDBG and/or state account to ensure it remains active.

All checks issued on the CDBG bank account are required to have two signatures.

The Designation of Depository form consists of two sections, one to be completed and signed by the CDBG recipient and the other by the bank. The bank certifies that the account is non-interest bearing, **or will be transferred immediately upon deposit into a non-interest bearing account,** and indicates how CDBG deposits are insured.

According to Section 110.010 RSMO 1978, "all public funds in banking institutions shall be secured by the deposit of securities." The statute further states that "the value of securities deposited and maintained by a legal depository under Section 110.010 shall at all times be not less than one hundred percent of the actual amount of the funds on deposit with the depository, less the amount, if any, insured by the Federal Deposit Insurance Corporation." All recipients should obtain a pledge of

collateral security from the participating bank for coverage of all amounts of CDBG funds over FDIC coverage. This will be monitored during the grant period.

One completed depository form with **original** signatures must be submitted to DED. The recipient should retain a copy for their project files.

#### **Vendor Input/ACH-EFT Application**

All CDBG funds must be disbursed via Automatic Clearing House. Communities will not submit a voided check or deposit slip with the application; the ACH form must be completed. The form must have the account number and the routing number of the bank. Be sure that the account number is the same as the account number on the Designation of Depository Form (SFM02). The form should be signed by the mayor/presiding commissioner, as well as by the authorized person of the listed financial institution. Leave the space for the vendor number blank as that is a number the State of Missouri has/will have assigned.

**\* Please verify with the grantee all current account information on file with the state for current or past projects to reduce delays in processing due to conflicting accounts.**



MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

**AUTHORIZED SIGNATURES FOR CDBG REQUESTS FOR FUNDS (SFM01)**

NAME OF RECIPIENT		PROJECT #		
PERIOD OF CONTRACT TO		RECIPIENT FISCAL YEAR END DATE	CONTRACT #	
THE INDIVIDUALS NAMED BELOW ARE AUTHORIZED TO SIGN ALL REQUESTS FOR FUNDS (RFF) DOCUMENTS.				
TYPED NAME		TITLE	SIGNATURE EXACTLY AS IT APPEARS IN TYPED FORM	
CERTIFICATION: I certify that the above signatures are of the individuals authorized to co-sign requests for funds. (Note: This person must be the highest ranking elected official whose name is not listed above.)				
TYPED NAME:	TITLE	SIGNATURE	TELEPHONE ( )	DATE
ADMINISTRATIVE CONTRACTS:		ACCOUNTING SYSTEM USED:		
PROJECT ADMINISTRATOR: (person responsible for over-all supervision of the CDBG grant)		<input type="checkbox"/> CDBG <input type="checkbox"/> OWN		
TYPED NAME		TELEPHONE ( )	FEDERAL EMPLOYER ID #:	
ADDRESS		CITY                          ZIP CODE		
FINANCIAL ASSISTANT: (person responsible for submitting requests for funds)		STATE USE ONLY		
TYPED NAME		TELEPHONE ( )	FIELD STAFF                          FISCAL	
ADDRESS		CITY                                  ZIP CODE		
NOTE: Recipient should retain one copy and send two originally signed copies free of erasures or corrections to DED.				

MO 419-1458 (03-88)

0842-1/101P

## FY2013 CDBG Administrative Manual Financial Management



MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM  
**AUTHORIZED SIGNATURES FOR**

**AUTHORIZED SIGNATURES FOR CDBG REQUESTS FOR FUNDS (SFM01)**

MO 419-1458 (03-88)

0842-1/101E



FY2013 CDBG Administrative Manual  
Financial Management  
MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM  
**DESIGNATION OF DEPOSITORY: DIRECT DEPOSIT (SFM02)**

		PROJECT NO.	CONTRACT NO.
<b>SECTION 1: DESIGNATION</b>		<b>SECTION 2: CERTIFICATION BY DEPOSITORY</b>	
RECIPIENT		The account identified in Section 1 has been established with this bank. It is a non-interest bearing account. * If account is interest-bearing, this bank and the recipient agree that all funds will be immediately transferred upon deposit into _____. * Transfer Account No.	
ADDRESS		All necessary documentation, including a power of attorney where necessary, which will enable this bank to receive CDBG funds directly from the State of Missouri to _____ without any endorsement by the payee, has been received and is in this depository's custody. Deposit Account No.	
CITY	STATE	ZIP CODE	This depository's deposits are insured by _____ Insurance will be pledged by this bank any time that the depositor's balance exceeds this insurance limit.
An account for the direct deposit of CDBG funds has been established at the following bank:			
BANK NAME		Immediately upon deposit of CDBG funds we will notify the recipient and, subsequently, provided a copy of the check and documentation of deposit. Monthly statements and copies of all checks will be provided to the recipient.	
ADDRESS		AUTHORIZED BANK OFFICER'S TYPED NAME      DATE	
CITY    STATE    ZIP CODE		SIGNATURE OF AUTHORIZED BANK OFFICER	
The account number to which all CDBG checks will be deposited is:		<b>SECTION 3: DED PROCESSING</b>	
ACCOUNT NO.			
I certify that this or the transfer account is a non-interest bearing account which shall be maintained on a basis consistent with Treasury Circular 1075. If the account is interest-bearing, funds will transferred immediately upon deposit into the account referenced in Section 2.		FIELD STAFF	FISCAL
GRANTEE CHIEF EXECUTIVE'S TYPED NAME		DATE RECEIVED	DATE RECEIVED
SIGNATURE OF GRANTEE CHIEF EXECUTIVE		CDBG APPROVAL INITIALS	FISCAL APPROVAL INITIALS
<b>NOTE: RECIPIENT SHOULD RETAIN ONE COPY AND SEND TWO SIGNED COPIES FREE OF ERASURES OR CORRECTIONS TO DED.</b>			

MO 419-1459 (04-93)

## FY2013 CDBG Administrative Manual Financial Management



MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM  
**DESIGNATION OF DEPOSITORY**

**DESIGNATION OF DEPOSITORY: DIRECT DEPOSIT (SFM02)**

NOTE: RECIPIENT SHOULD RETAIN ONE COPY AND SEND TWO SIGNED COPIES FREE OF ERASURES OR CORRECTIONS TO DED.

MO 419-1459 (04-93)

0843-9/101P

FY2013 CDBG Administrative Manual  
Financial Management

Located at : [http://oa.mo.gov/acct/pdffiles/vendor\\_input\\_ach\\_efd.pdf](http://oa.mo.gov/acct/pdffiles/vendor_input_ach_efd.pdf)



STATE OF MISSOURI  
OFFICE OF ADMINISTRATION  
**VENDOR INPUT/ACH-EFT APPLICATION**

**\*REQUIRED FIELDS**

<b>*NAME/ADDRESS AS SHOWN ON FEDERAL TAX RETURN</b>		<b>*FEDERAL TAX ID NUMBER OR SOCIAL SECURITY NUMBER</b>	
<hr/> <hr/> <hr/>			
<b>*TYPE OF ENTITY</b>			
<input type="checkbox"/> Corporation <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Individual <input type="checkbox"/> State Employee <input type="checkbox"/> Other			
<b>DATE OF CHANGE</b>			
<b>REMIT TO NAME/ADDRESS IF DIFFERENT THAN ABOVE</b>		<b>PREVIOUS FEDERAL TAX ID NUMBER OR SOCIAL SECURITY NUMBER</b>	
<hr/> <hr/> <hr/>			
<b>PREVIOUS NAME</b>			
<b>PREVIOUS ADDRESS</b>			
<b>PURCHASE ORDER NAME/ADDRESS IF DIFFERENT THAN ABOVE</b>		<b>COMMENTS</b>	
<hr/> <hr/> <hr/>			
<b>TO BE COMPLETED BY FINANCIAL INSTITUTION</b>			
<b>NAME/ADDRESS OF FINANCIAL INSTITUTION</b> <hr/> <hr/> <hr/>			
<input type="checkbox"/> I (We) hereby authorize the State of Missouri, to initiate credit entries to my (our) account at the depository financial institution named and to credit the same such account. I (We) acknowledge that the origination of ACH transactions to my (our) account must comply with the provision of U.S. law. This authorization is to remain in full force and effect until the State of Missouri, Office of Administration, has received written notification from me (us) of its termination in such time and in such manner as to afford the State of Missouri and the financial institution a reasonable opportunity to act on it.			
<input type="checkbox"/> I (We) hereby cancel my (our) ACH/EFT authorization.			
<b>*VENDOR SIGNATURE</b>			
<b>X</b>			
<b>*PRINT NAME</b>			
<b>*TITLE</b>			
<b>EMAIL ADDRESS</b>			
<b>TELEPHONE NUMBER</b>	<b>DATE</b>	<b>*TELEPHONE</b>	<b>*DATE</b>
<b>CERTIFICATION FOR INTERNAL REVENUE SERVICE (IRS)</b> Under penalties of perjury, I certify that: I. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and II. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and III. I am a U.S. person (including a U.S. resident alien). <b>Certification Instructions.</b> You must cross out item II above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For all real estate transactions, item II does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See W-9 Instructions on irs.gov website for more information.) The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.			
<input type="checkbox"/> Exempt from Backup Withholding			
<b>SIGNATURE</b>			

MO 300-1489 (7-10)

FAX COMPLETED FORMS TO (573) 526-9813 or  
MAIL TO OFFICE OF ADMINISTRATION/ACCOUNTING, PO BOX 809, JEFFERSON CITY, MO 65102

**VENDOR INPUT FORM INSTRUCTIONS**

The purpose of this form is to add a vendor record or to make changes to a vendor record. A vendor is a person or business being paid by the State of Missouri.

**THESE FIELDS ARE REQUIRED TO BE COMPLETED FOR ALL CIRCUMSTANCES. (SHADED FIELDS)**

Enter NAME/ADDRESS AS SHOWN ON FEDERAL TAX RETURN.

Enter the FEDERAL TAX ID NUMBER OR SOCIAL SECURITY NUMBER that is used for income taxes for the name entered.

Check the correct TYPE OF ENTITY.

Signature is required at VENDOR SIGNATURE along with PRINT NAME, TITLE, TELEPHONE, and DATE.

**CONDITIONAL FIELDS**

If payments are to be sent to a different address, enter a REMIT TO NAME/ADDRESS.

If purchase orders are to be sent to a different address, enter a PURCHASE ORDER NAME/ADDRESS.

If you are making a change to your vendor record, fill out these additional fields:

DATE OF CHANGE is the effective date of the change in business structure/activity

PREVIOUS FEDERAL TAX ID NUMBER OR SOCIAL SECURITY NUMBER

PREVIOUS NAME

PREVIOUS ADDRESS

COMMENTS are for additional information that may be helpful including reason for the change.

**TO SET UP OR TO CHANGE DIRECT DEPOSIT INFORMATION, FILL IN THE FOLLOWING, INCLUDING THE REQUIRED FIELDS FROM ABOVE.**

NAME/ADDRESS OF FINANCIAL INSTITUTION where you want the money to be deposited. A representative from the financial institution must complete and sign this section.

Check appropriate box for electronic deposits.

If changing bank account information, fill in DATE OF CHANGE.

**CERTIFICATION FOR INTERNAL REVENUE SERVICE (IRS)**

This certifies that the Taxpayer Identification Number (TIN) on this form is the correct number and whether backup withholding applies.

**Fax to (573) 526-9813 or mail to Office of Administration/Accounting, PO Box 809, Jefferson City, MO 65102.**

## CDBG FUNDING FORMS CHECKLIST

### **Authorized Signature Form (SFM01)**

- Has the SFM01 form with original signatures been submitted?
- Has the form been signed (certified) by the highest ranking elected official NOT listed as a co-signor on the SFM01?\*
- Does the form designate not less than two city/county employees or officials?
- Does the form include your Federal Employer ID number (FEIN)?

### **Designation of Depository Form (SFM02)**

- Has the SFM02 form with original signatures been submitted?
- Is the account number indicated on the form a general account? If not, has “-CDBG” been identified in the vendor account name?
- Is the account indicated on the form an interest-bearing account?  
If yes, have arrangements been made to immediately transfer CDBG monies from the account once deposited?
- Has the CDBG recipient signed the form?
- Has the financial institution signed the form and certified the appropriate section?

### **Vendor Input/ACH-EFT Application**

- Has the financial institution provided an authorized signature on the form?
- Is the account number indicated on the form the same account number designated on form SFM02?
- If the ACH is to establish a separate account for deposit of CDBG funds, is the proper CDBG notation included with the Vendor Name?

## REQUEST FOR FUNDS (RFF)

After DED receipt and approval of the afore-mentioned items, CDBG recipients are permitted to submit a Request for Funds Form (RFF). Please note the following items regarding an RFF:

- The minimum amount that may be requested is \$1,000. Grantees may not maintain a cash balance in excess of \$1,000 for more than five days (“five day rule”).
- With the "five-day rule," recipients should request funds to meet actual current cash requirements. In order to meet the five-day criteria, local funds should not be deposited in the **same** checking account as CDBG funds.
- Requisitions are limited to funds for exempt activities (e.g., planning, audit, administration, and engineering design) until the Environmental Review process is complete and a Notice of Removal of Grant Conditions has been issued. (See the Environmental Review Chapter.)
- All RFF forms should be numbered sequentially and maintained as part of the financial management file. Please initial any erasures or corrections made to the request.
- Two signatures are required on each RFF. Persons co-signing the RFF must be listed as authorized to sign on the Signature Form. Signatures must be signed exactly as they appeared in typed form on the Signature Form. **Use of blue ink for signatures is very helpful for review of RFFs.** We request that you use blue ink when possible to expedite verification of original signatures.
- Blank RFFs should **not** be pre-signed by city officials.
- Recipients may not submit more than two RFFs per month. Internal procedures should be streamlined to ensure invoices and documentation are aggregated for the appropriate time period and submitted with the RFFs.
- Funds may not be transferred between activity line items, which exceed 10% of the total grant award or \$10,000, whichever is less, without prior approval by DED through the amendment process. **No monies** may be transferred into administration, engineering (design and inspection), other professional services, or legal line items without prior approval from DED through the amendment process.
- Recipients are permitted to establish escrow accounts to facilitate payments to small contractors in **a housing rehabilitation program only.** **Amounts held in the escrow account must not exceed the normal cash flow need of 10 days. The escrow account may be interest bearing.** The interest earned can be used to pay administrative costs; however, interest in excess of \$100 earned in a calendar year must be returned to DED.

For public facility projects, the maximum allowable drawdown for administration funds is as follows:

- No more than 25% at time of removal of grant conditions
- Up to 50% upon approval of first contractor's payroll (for force account work, this will be after first drawdown for labor; for in-kind labor, this will be after first draw for materials)
- Up to 75% upon 50% construction draw
- **90% prior to final paperwork – 10% of administration must remain until closeout**
- 100% after completion of all final paperwork with possible exception of audit

For neighborhood development projects, the maximum allowable drawdown for administration funds is as follows:

- 25% upon removal of grant conditions
- 50% upon completion of three houses
- **90% prior to final paperwork – 10% of administration must remain until closeout**
- 100% after completion of all final paperwork with possible exception of audit

*For water/wastewater projects, no more than 90% of funds may be drawn for Environmental Review until receipt of Engineer's Certificate of Completion.*

## Instructions for Completing the new one-page RFF:

The form contained in this manual is available in MS Excel online at <http://...>. Please use the following instructions when completing the online form. A pdf version is available, but does not contain programmed fields.

1. The gray highlighted areas should be input directly with information taken from the grant agreement and funding approval.
2. The yellow highlighted areas should be input with current invoice/expense details and amounts.
3. The remaining fields should calculate automatically based on input of the gray and yellow fields.
4. **Each activity should include only one line of information under the “Payees per activity/details” so that the activity and related information stay and flow together throughout the form.** You must continue to list all payees and include individual pay amounts, and as you type the field will expand to fit the text. For example, if there are multiple contractors to be paid out of a construction line item, you would list the name of the contractor and the individual pay amounts (John Doe Contracting - \$1500, Billy Bob Construction - \$2300) and include the total FOR THE ENTIRE activity (\$3800) on the corresponding line in the AMOUNT column. The important thing is to ensure each activity in Section 1 continues to correspond with the activity line amounts in Section 2. Again, the text will wrap for this purpose.
5. If there are blank activity lines remaining in Section 1 and Section 2 after you have entered all activities from the funding approval – please delete them. This will free up more page space to expand payee details as necessary without spilling over onto a second page. If you have difficulty keeping the printed form to one page, you may wish to use the scaling feature of Excel in the Print menu under Page Set-up to indicate the “Fit to” requirements of one page.

CDBG Staff Use Only	RFF# _____
Staff: _____	Date _____
Check No: _____	Amount of this Request
Check Date: _____	\$0.00

**Grantee Name:**

## **Project #**

Instructions: Submit the originally signed form to: CDBG Program, ATTN: RFF, Department of Economic Development PO Box 118, Jefferson City, MO 65102. The grantee must keep one copy for their files.

## **Section 1: Identification of Program Costs**

## **PROGRAM ACTIVITIES**

## PAYEES per activity/details

(See Grant Contract Agreement. Appendix A  
/Funding Approval)

**AMOUNT**

## **Section 2: Activity Budget Status Report**

## **PROGRAM ACTIVITIES**

(See Grant Contract Agreement. Appendix A/Funding Approval)

## Previous Funds

Remaining  
CDBG Funds

### **Section 3: Authorized Signatures**

I hereby affirm that the information above is true and correct, and the funds requested will be used according to the conditions of the CDBG grant agreement with the State of Missouri.

Typed name:

Signature:

Date:

Typed name:

Signature:

Date:

Only authorized persons may sign the RFF form, and they must do so in the same manner as the signature card.  
Preparer: \_\_\_\_\_ Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Only authorized persons may sign the RFF form, and the  
Preparer: \_\_\_\_\_ Phone: \_\_\_\_\_

From: a

**Email:**

**NOTES:**

CDBG Staff Use Only	RFF#	1
Staff:	Date	1/1/2013
Check No:	Amount of this Request	
Check Date:	\$6,500.00	

**Grantee Name:** Anytown, MO      **Project #** 2013-PF-01

Instructions: Submit the originally signed form to: CDBG Program, ATTN: RFF, Department of Economic Development PO Box 118, Jefferson City, MO 65102. The grantee must keep one copy for their files.

## **Section 1: Identification of Program Costs**

## **PROGRAM ACTIVITIES**

(See Grant Contract Agreement. Appendix A  
/Funding Approval)

## Section 2: Activity Budget Status Report

## **PROGRAM ACTIVITIES**

(See Grant Contract Agreement. Appendix A/Funding Approval)

### **Section 3: Authorized Signatures**

I hereby affirm that the information above is true and correct, and the funds requested will be used according to the conditions of the CDBG grant agreement with the State of Missouri.

Typed name: Clara Clerk Signature: \_\_\_\_\_  
Typed name: Conrad Councilman Signature: \_\_\_\_\_

Date: 1/1/2013

Only authorized persons may sign the RFF form, and they must do so in the same manner as the signature card.

Preparer: Frank Finance Phone: 314-555-1234 Email: finance@anytown.mo

## **NOTES:**

CDBG Staff Use Only		RFF# <u>2</u>
Staff:	Date <u>4/1/2013</u>	
Check No:	Amount of this Request	
Check Date:	<u>\$14,500.00</u>	

**Grantee Name:** Anytown, MO      **Project #** 2013-PF-01

Instructions: Submit the originally signed form to: CDBG Program, ATTN: RFF, Department of Economic Development PO Box 118, Jefferson City, MO 65102. The grantee must keep one copy for their files.

## **Section 1: Identification of Program Costs**

## **PROGRAM ACTIVITIES**

(See Grant Contract Agreement. Appendix A /Funding Approval)

## **Section 2: Activity Budget Status Report**

## **PROGRAM ACTIVITIES**

*(See Grant Contract Agreement. Appendix A/Funding Approval)*

### **Section 3: Authorized Signatures**

I hereby affirm that the information above is true and correct, and the funds requested will be used according to the conditions of the CDBG grant agreement with the State of Missouri.

Typed name: Clara Clerk Signature: \_\_\_\_\_  
Typed name: Conrad Councilman Signature: \_\_\_\_\_

Date: 4/3/2013  
Date: 4/3/2013

Only authorized persons may sign the RFF form, and they must do so in the same manner as the signature card.  
Preparer: Frank Finance                          Phone: 314-555-1234                          Email: finance@anytown.mo

**NOTES:**

CDBG Staff Use Only	RFF# <u>3</u>
Staff:	Date <u>8/15/2013</u>
Check No:	Amount of this Request
Check Date:	<u>\$111,000.00</u>

**Grantee Name:** Anytown, MO      **Project #** 2013-PF-01

Instructions: Submit the originally signed form to: CDBG Program, ATTN: RFF, Department of Economic Development PO Box 118, Jefferson City, MO 65102. The grantee must keep one copy for their files.

## **Section 1: Identification of Program Costs**

## **PROGRAM ACTIVITIES**

(See Grant Contract Agreement. Appendix A /Funding Approval)

## **Section 2: Activity Budget Status Report**

## **PROGRAM ACTIVITIES**

(See Grant Contract Agreement. Appendix A/Funding Approval)

### **Section 3: Authorized Signatures**

I hereby affirm that the information above is true and correct, and the funds requested will be used according to the conditions of the CDBG grant agreement with the State of Missouri.

Typed name: Clara Clerk Signature: \_\_\_\_\_ Date: 8/15/2013  
Typed name: Conrad Councilman Signature: \_\_\_\_\_ Date: 8/15/2013

Only authorized persons may sign the RFF form, and they must do so in the same manner as the signature card.  
Preparer: Frank Finance Phone: 314-555-1234 Email: finance@anytown.mo

**NOTES:**

CDBG Staff Use Only		RFF# <u>4</u>
Staff:	Date <u>2/24/2014</u>	
Check No:	Amount of this Request	
Check Date:	<u>\$66,000.00</u>	

**Grantee Name:** Anytown, MO      **Project #** 2013-PF-01

Instructions: Submit the originally signed form to: CDBG Program, ATTN: RFF, Department of Economic Development PO Box 118, Jefferson City, MO 65102. The grantee must keep one copy for their files.

## **Section 1: Identification of Program Costs**

## **PROGRAM ACTIVITIES**

(See Grant Contract Agreement. Appendix A /Funding Approval)

## Section 2: Activity Budget Status Report

## **PROGRAM ACTIVITIES**

(See Grant Contract Agreement. Appendix A/Funding Approval)

### **Section 3: Authorized Signatures**

I hereby affirm that the information above is true and correct, and the funds requested will be used according to the conditions of the CDBG grant agreement with the State of Missouri.

Typed name: Clara Clerk Signature: \_\_\_\_\_ Date: 2/24/2014  
Typed name: Conrad Councilman Signature: \_\_\_\_\_ Date: 2/24/2014

Only authorized persons may sign the RFF form, and they must do so in the same manner as the signature card.  
Preparer: Frank Finance Phone: 314-555-1234 Email: finance@anytown.mo

---

**NOTES:**

## ESTABLISHING AND MAINTAINING THE CDBG ACCOUNTING SYSTEM

The accounting system used by local government recipients of CDBG funds must satisfy all of the unique requirements of CDBG. In particular, it must satisfy the standards governing a grantee's financial management system outlined in 24 CFR 85, Subpart C. These standards require that the recipient's accounting system must:

1. Provide accurate, current, and complete disclosure of the financial status of the CDBG project by eligible program activity
2. Compile and justify data required in reports submitted to DED
3. Have records that identify adequately the source and disposition of funds for project activities (Recipients must be able to trace every CDBG dollar received and prove where it went and for what it was used - an audit trail **must** be established.)
4. Provide effective control over and accountability for CDBG funds, property and other assets, including proper segregation of duties
5. Compare actual expenditures with budgeted amounts by program activities
6. Provide adequate procedures for minimizing the time elapsing between the deposit of funds in the CDBG bank account and their disbursement
7. Have accounting records that are supported by source documentation
8. Document sources of funding other than CDBG project funds

Recipients may elect either to use their existing accounting system or to use the accounting system described in this chapter. If recipients elect to use their existing accounting system, then they must demonstrate to DED that the system satisfies CDBG standards and requirements and can provide the information described herein. If recipients elect to use the accounting system described below, they should have no difficulty satisfying CDBG requirements and documenting financial decisions related to their CDBG programs. Space is provided on the Authorized Signature Form to indicate which accounting system will be used.

### **Accounting Records**

The accounting records that are required to be maintained by Missouri's state CDBG grant recipients are listed below. These accounting records, or a copy of these records, should be kept at City Hall or the County Office. At a minimum, the following information must be generated in any accounting system utilized for CDBG:

1. Transaction date, description, source document reference and amounts
2. Summary of receipts (e.g., CDBG funds or program income)
3. Summary of disbursements by program activity (eligible program activities are documented in the grant contract)
4. Summary of cash transactions
5. All source documents should be maintained for future review
6. If local and/or other agency funding are part of the funding agreement, then an accounting system (separate ledgers) should be maintained which provides information similar to items noted in 1 through 5 above.

One should keep in mind that the accounting records and procedures have been designed for non-accountants and specifically for use with CDBG projects. It is suggested that recipients go through the example of the CDBG accounting system included herein after they have reviewed the accounting requirements.

### **Document Coding**

Transactions recorded in the accounting system must always be referenced to a source document (e.g., check number, RFF number, an amendment number or the original contract budget award).

### **Cash Control/Project Activity Ledger**

Information maintained in the Cash Control/Project Activity Ledger provides a means of:

1. Maintaining a record of CDBG funds to document that funds have been used to meet immediate needs
2. Documenting compliance with the State's cash balance policy
3. Recording the receipt of program income
4. Preparing the RFF and other State financial documents

Transactions should be posted in a timely manner in order to document that the recipient has controlled costs within the amount allocated for each of the approved activities. A separate ledger sheet may be used for each program activity if desired.

The Project Activity Ledger portion of the Cash Control/Project Activity Ledger provides:

1. Means of summarizing disbursements on a periodic basis to facilitate the comparison of actual expenditures to budgeted amounts
2. Documentation needed to report to the State on an activity basis

### **Internal Control**

It is essential that recipients establish internal controls in their financial management systems to provide effective control over and accountability for all funds, property and other assets and to ensure that they are used for authorized purposes. Some of the points that recipients should keep in mind when establishing internal controls are listed below.

- Financial management responsibilities should be separate so that no one has complete control over all phases of any significant transaction. *EX: Person(s) authorized to sign RFFs should be different from the person(s) authorized to write/sign the checks on the account.* An organizational chart, or at the minimum, a written definition of duties and formal system of authorization and supervision should be established to govern financial management responsibilities.
- Verification and reconciliation of cash balances with bank statements should be made by employees who do not handle or record cash or sign checks.
- All CDBG expenditures by the grantee should be approved by the City Council/County Commission through the normal "bill-paying" procedures prior to payment.

### **Steps for Establishing a CDBG Financial Management System**

Establishing and maintaining the CDBG financial management system will require recipients to:

1. Review 24 CFR 85 (Subpart C, in particular) and OMB Circular A-87
2. Decide which accounting system to use and notify DED of this decision on the Authorized Signature Form (SFMO1)

3. Organize the accounting records, including the Cash Control/Program Activity Ledger and, if appropriate, the Other Projects Funds Ledger
4. Use the CDBG eligible activity codes in their records (taken from the grant contract documents)
5. Establish an activity ledger account for each activity listed in the grant agreement (this should be incorporated into the Cash Control/Program Activity Ledger)
6. Establish a separate ledger for each activity, showing contracts entered into and amounts expended (examples of both ledgers are included herein)
7. Record all CDBG financial transactions on the appropriate journal or ledger
8. Establish internal controls in the financial management system
9. Establish and maintain financial management files.

### SAMPLE PROJECT LEDGER

Date	Transaction	Funds Available	Rff#	Check#	Cash Receipts	Cash Disbursements	Admin	Audits	Eng. Design	Relocation	Streets	Sewer
	Budget	200000					5000	500	5000	10000	100000	79500
6/16												
1/28	State of Missouri	6500	1		6500							
1/28	Grant Administrator			101		1000	1000					
1/10	J. Doe Engineering			102		5000			5000			
2/10	Newspaper			103		104	104					
1/4	Archaeologists, Inc.			104		231	231					
	Balance	193500			165		3665	500		10000	100000	79500
									0			
4/25	State of Missouri	14500	2		14500							
4/25	Grant Administrator			105		1000	1000					
4/27	John Smith			106		7500				7500		
4/27	B Construction Co.			107		6000						6000
	Balance	179000			165		2665	500	0	2500	100000	73500
6/8	Amendment									-2500		2500
	Balance	179000								0		76000
9/4	State of Missouri	111000	3		111000							
9/4	Grant Administrator			108		2000	2000					
9/4	B Construction Co.			109		76000						76000
9/6	C Construction Co.			110		33000					33000	
	Balance	68000			165		665	0	0	0	67000	
3/2	State of Missouri	66000	4		66000							
3/5	C Construction Co.			111		65000					64000	
3/4	Grant Administrator			112		665	665					
4/10	CPA			113		500		500				
	Balance	2000			0		0	0	0	0	2000	
	2000 to be deobligated											

<b>Line #</b>	<b>Date</b>	<b>Description</b>
1	11/20/12	Set up budgets for total grants and each expense category. (If local matching money is to be used, do not record it here. Keep it on a separate ledger sheet.)
4	1/8/13	Request For Funds (RFF) #1 received from DED, \$6500.00
5	1/8/13	Pay Grant Administrator \$1000.00 for administrative fees, Check #101
6	1/9/13	Pay Engineer \$5000.00 for engineering services, Check #102
7	1/15/13	Pay Newspaper \$104.00 for running public notices, Check #103
8	2/04/13	Pay \$231.00 to have cultural resource assessment done, Check #104
9		This line represents a subtotal of all activity-to-date. You may subtotal this ledger whenever it is the most convenient to you.
11	4/7/13	Request For Funds (RFF) #2 received from DED, \$14,500.00
12	4/8/13	Pay Grant Administrator \$1000.00 for administrative fees, Check #105
13	4/8/13	Pay John Smith \$7500.00 for relocation costs, Check #106
14	4/15/13	Pay "B Const. Company" \$6000.00 for work-to-date on the sewer, Check #107
15		Subtotal the grant activity-to-date.
17	6/08/13	All the relocation work was finished and \$2500.00 was left in its budget. The sewer project was expected to cost more than originally planned. Therefore, a formal amendment was sent in to DED, and approved, to transfer the \$2500.00 remaining in the relocation budget to the sewer budget. (Record transfers only if they have been formally amended and approved by DED.)
18		Subtotaled the grant activity-to-date.
20	8/30/13	Request For Funds (RFF) #3 received from DED, \$111,000.00
21	9/04/13	Pay Grant Administrator \$2000.00 for administrative fees, Check #108
22	9/04/13	Pay "B Const. Company" \$76,000.00 for work on sewer, final bill, Check #109
23	9/06/13	Pay "C Const. Company" \$33,000.00 for work-to-date on the street, Check #110
24		Subtotaled the grant activity-to-date. Note any negative balances. You are allowed to transfer the budgeted amounts between line items, up to 10% of the total grant, up to a \$10,000.00 limit, in all line items except audit, administration, and engineering.  Money may be transferred out of those three, but not into them. Do not record these transfers unless formally approved by DED.
26	3/02/14	Request For Funds (RFF) #4 received from DED, \$66,000.00
27	3/05/14	Pay "C Const. Company" \$65,000.00 for work on streets, final bill, Check #111
28	3/04/14	Pay Grant Administrator \$665.00 for administrative fees, Check #112
29	4/10/14	Pay CPA \$500.00 to perform audit, Check #113

- 30 Subtotal final grant activity  
33 \$2000.00 of grant money was not used. This will be deobligated.  
**Note:** If there is any cash on hand at end of grant, it must be returned to DED.

## PROGRAM INCOME

For the purposes of administering state CDBG grants, it is important to distinguish between two types of income: interest income and program income. **All bank accounts holding grant monies from the State must be non-interest bearing.** However, if interest is earned on CDBG funds it is considered to be interest income, and must be returned to HUD. Contact CDBG if interest is earned. In general, program income is defined as those revenues received by the CDBG recipient during the period that grant assistance is provided for grant-supported activities. For example, if a CDBG recipient has a housing rehabilitation or economic development loan program, the receipt of payment on the principal as well as any earned interest on the loan is considered to be program income. In addition to this form of program income, other specific forms of program income include:

- the proportional share of proceeds from the disposition of real property to the extent to which the property was purchased with CDBG monies (e.g., if CDBG monies were used to pay ninety percent of the acquisition cost of a parcel, ninety percent of the sale price of the property would be considered CDBG program income if the property was sold)
- the share of proceeds from special assessments levied to cover the cost of constructing a public work or facility proportional to the percent of CDBG monies used for construction
- the interest earned from the investment of program income
- the payments of principal and/or interest on loans made with CDBG monies

If the monies are considered program income, grantees **must** inform DED of the receipt of these monies and obtain DED **approval** concerning their use. **Program income must be identified clearly in the recipient's accounting system.** DED may, at its discretion, require CDBG recipients to return program income to the State. When recipients do retain program income, they must disburse program income **prior** to requisitioning additional monies from DED to finance approved community development activities.

Two situations involving program income have special rules. For proceeds derived from the sale of real property acquired with CDBG monies, program income shall be used for community development activities within the general purposes of the Housing and Community Development Act of 1974. However, the CDBG recipient **must obtain prior DED approval** to use program income in this manner. For program income to be received after grant close-out, recipients **must** consult with DED. At its discretion, DED may require that such program income be returned to the State, or allow it to be used by the recipient in other community development activities. A re-use plan for program income may be required to be submitted to DED prior to grant close-out. It may be necessary to undertake an environmental review for any new CDBG activities that are funded with program income.

### **Steps**

1. Identify those activities that are likely to produce program income.
2. Review 24 CFR 85.25 and DED procedures regarding the use of program income.
3. Upon receipt of program income, record in the Cash Control/Program Activity Ledger indicating source, date and amount received.
4. Obtain DED approval for applying program income to any new or existing community development activity.
5. For program income derived from a revolving loan fund, request DED determination as to the disposition of program income at grant close-out.
6. After obtaining approval concerning allocation of program income to a CDBG eligible activity, make the appropriate journal entry to your accounting records.

## DED FINANCIAL MANAGEMENT REPORTING

The Request for Funds Form (RFF), described in detail earlier in this chapter, provides DED with frequent financial management information that is useful in monitoring grantees' projects and updating DED's records. Aside from informing DED of the amount of funds being requested, the form indicates the amount of cash that recipients are keeping on hand, payments over \$1,000 or more, program income received to date, and the total amount of CDBG funds remaining in the project.

It is important that the Budget Status Report (Section 2 of RFF) reflect the actual expenditures in each line item, submitting amendments or detailed explanations for changes, if necessary. As stated previously, monies may not be transferred between activity line items, which exceed 10% of the total grant award or \$10,000, whichever is less, without prior approval by DED through the amendment process. **No funds** may be spent which exceed the awarded amounts in administration, engineering (design and inspection), other professional services, or legal line items without prior DED approval through the amendment process. If smaller revisions of other activities are necessary, please identify and explain the changes in some form of notation in the Notes section at the bottom of the form. The Budget Status Report is an important tracking tool for DED.

**Action Fund (Economic Development Loans) Request for Funds:** RFFs submitted for Action Fund loans must be accompanied by invoices totaling the amount of funds being requested. Copies of the cancelled checks, or proof of payment of all invoices submitted, must be retained by the grant recipient in the financial records for audit purposes.

## RETURN OF OVERPAYMENT OR UNUSED FUNDS

From time to time, it may be necessary to reimburse or return funds to the state for RFFs requested and paid that are in excess of estimated payments. If such a situation occurs, return the overpayment or overdraw amount to the CDBG program at PO Box 118, Jefferson City, MO 65102. Checks should be made payable to State of Missouri – CDBG. This process is not to be confused with that for return of funds due to interest earned on deposited CDBG funds. It is necessary to reconcile return of funds by subtracting the total amount of the return from the previous amount requested column of the appropriate activity on the back of the subsequent RFF to be submitted.

## LOCAL AND OTHER AGENCY MATCH

A primary consideration in the review of CDBG applications is the amount of local and other agency cash and in-kind resources proposed for the project. The Funding Approval form (part of the Grant Agreement) indicates the amount of resources that must be devoted to the project.

Local Cash Recordkeeping: The minimum records to maintain regarding local cash are the date, amount and purpose of each check written from local funds toward the project. It is recommended that local funds not be mixed with CDBG funds in the accounting system.

Other Agency Recordkeeping: Other agency funding is subject to the same audit requirements as CDBG funding. Recordkeeping is to be maintained in accordance with other agency requirements and should be accessible to DED review.

In-Kind (Force-Account) Recordkeeping: This includes non-cash actions such as using the grantee's employees to perform work on the project or to use construction materials from the grantee's stockpile. All force-account work which is paid for with CDBG funds or counted toward local match must be documented with time sheets and/or other verification of cost or value.

## CONTRACT OR FUNDING APPROVAL AMENDMENT

A contract amendment is required to be submitted in triplicate, all with original signatures, under the following conditions:

- Change of more than 10% of grant award or \$10,000, whichever is less, in any line item of CDBG monies on the Funding Approval
- Transfer of **any** amount of funds to any professional services line item
- Request for grant increase, or deobligation of funds remaining at the close of grant
- Request for addition of funds for any activity not listed on funding approval

For any change of scope of the activities which does not involve budget items or which involves other agency or local funds, a letter signed by the city/county official requesting the change is used instead of this amendment form. All grantees should detail the reasons for any change or revision necessitated by the contract amendment in the area for "Explanation of Request". This is helpful for us to document the reasons for the change and justify approval/denial of the request. **We are unable to accept RFFs that reflect a negative balance in any line item.** If budget line item changes require drawing more from an activity than is currently allocated, (but for which an amendment is not required) it is important to submit information with the RFF to 1) identify the reason for the difference, 2) denote which line item should be decreased to account for the overage, and 3) award amounts should be updated to reflect the new amounts. If revisions will require a formal amendment, submission of the amendment should precede submission of the RFF to allow processing of the new funding balances in our data systems. Revisions that do not require a formal amendment should be clearly indicated in the Notes of the RFF, and reported to your field representative.

**STATE OF MISSOURI**  
**COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**  
**CONTRACT AMENDMENT/REQUEST #**

Grantee Name \_\_\_\_\_ Project Number \_\_\_\_\_

Project Number \_\_\_\_\_

Street or Box Number                      City                      State                      Zip

**City**                    **State**                    **Zip**

State Zip

Date of Request \_\_\_\_\_ Contract Award Date \_\_\_\_\_

Contract Award Date \_\_\_\_\_

NOTE: IN THE FOLLOWING, ENTER EACH CDBG LINE ITEM, WHETHER CHANGED OR NOT. ENTER ONLY CDBG LINE ITEMS.

No.	Title	Existing Budget	Revised Budget Request	Amount Increase/ Decrease	% Change
Totals					

### Explanation of Request:

This amendment shall be effective on \_\_\_\_\_, 20\_\_\_\_\_. All other terms and conditions of the contract, or any amendments thereto, shall remain unchanged. IN WITNESS WHEREOF, the parties hereto execute this agreement.

## COMMUNITY DEVELOPMENT

---

City/County Name

---

Sallie Hemenway, Director

---

**Typed** Authorized Signature

Date

---

Authorized Signature

## Title

Date

**INSTRUCTIONS: SUBMIT THREE (3) ORIGINALLY-SIGNED COPIES TO DED**

Revised 07/28/04

MO 419-2886 (05-07)

**STATE OF MISSOURI**  
**COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**  
**CONTRACT AMENDMENT/REQUEST # 1**

Grantee Name Anytown Project Number 2005-ND-01

123 Main Street Anytown MO 65123  
Street or Box Number City State Zip

Date of Request 03/03/2006 Contract Award Date 07/01/2005

NOTE: IN THE FOLLOWING, ENTER EACH CDBG LINE ITEM, WHETHER CHANGED OR NOT. ENTER ONLY CDBG LINE ITEMS.

No.	Title	Existing Budget	Revised Budget Request	Amount Increase/ Decrease	% Change
09	water	\$20,000.00	\$20,000.00	\$0.00	0.00%
25	housing rehab	\$100,000.00	\$90,000.00	(\$10,000.00)	-10.00%
28	relocation	\$0.00	\$10,000.00	\$10,000.00	100.00%
35	administration	\$10,000.00	\$10,000.00	\$0.00	0.00%
37	housing inspection	\$5,000.00	\$5,000.00	\$0.00	0.00%
40	audit	\$1,000.00	\$1,000.00	\$0.00	0.00%
				\$0.00	0.00%
				\$0.00	0.00%
Totals		\$136,000.00	\$136,000.00		

Explanation of Request:

This amendment shall be effective on March 20, 2006. All other terms and conditions of the contract, or any amendments thereto, shall remain unchanged. IN WITNESS WHEREOF, the parties hereto execute this agreement.

Anytown COMMUNITY DEVELOPMENT  
City/County Name

Sallie Hemenway, Director  
Typed Authorized Signature

Date  
Authorized Signature

Title

Date

**INSTRUCTIONS: SUBMIT THREE (3) ORIGINALLY-SIGNED COPIES TO DED**

Revised 07/28/04

**\*\*FINANCIAL MANAGEMENT HELPFUL HINTS\*\***

- ❖ Ensure the CDBG general ledger is accurate and current.
- ❖ Segregate the duties of writing checks and balancing/reconciling the CDBG account monthly.
- ❖ Understand and complete all five steps in the grant payment process referenced on page III-2.
- ❖ Grant funds must not remain in the account for more than five days.
- ❖ Review the funding approval for accuracy and understand all terms of grant agreement prior to execution.
- ❖ To check on status of payments, have the grantee FEIN ready and go to:  
<https://www.vendorservices.mo.gov/vendorservices/VendorPayment/Login/Login.aspx?tid=0&type=1>

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## **CHAPTER IV**

### **ENVIRONMENTAL REVIEW**

#### **INTRODUCTION**

All projects and related activities undertaken by CDBG Responsible Entities (RE) (grantees and applicants) are subject to the provisions of the *National Environmental Policy Act of 1969*, as amended (NEPA), which established national policies, goals, and procedures for protecting, restoring and enhancing environmental quality. In addition to NEPA requirements, CDBG-assisted projects are also subject to other related laws and Federal, State, and local authorities addressed in this chapter.

The NEPA created the *Council for Environmental Quality* (CEQ). The CEQ ensures that Federal agencies implement regulations so that environmental values are given appropriate consideration and decision-making in Federally-assisted or permitted actions. The CEQ analyzes and interprets environmental trends and are conscious of and responsive to economic, social, aesthetic, and cultural needs and interests of the Nation and formulate and recommend national policies to promote the improvement of the quality of the environment. ***Procedures within Federal Government programs must ensure that environmental information is available before decisions are made and before actions are taken.***

CDBG recipients, also known as *Responsible Entities (RE)* under HUD regulation, are required to follow specific procedures for carrying out Federal environmental review responsibilities as specified in **24 CFR Part 58 - [http://www.access.gpo.gov/nara/cfr/waisidx\\_04/24cfr58\\_04.html](http://www.access.gpo.gov/nara/cfr/waisidx_04/24cfr58_04.html)**. A determined effort should be made to become familiar with all aspects of 24 CFR Part 58.

**EVERY project requires some level of environmental review.** As a recipient of CDBG funds, the RE is responsible for evaluating how the project effects the environment and what impacts the environment may have on the project, including short term, cumulative, and long term impacts. The environmental review is a means by which we can enhance the quality of projects, protect the environment, and improve the lives of people who will benefit. **The environmental review, especially when started EARLY, will save time and money in the long run.**

#### **PLEASE BE AWARE!**

The Responsible Entity/grantee cannot obligate CDBG funds or expend funds from *any* source, private or otherwise, for use in a CDBG-assisted project; no new construction, excavation, demolition, rehabilitation, repair, modification, or property acquisition, including all types of easements, can commence, nor commitment made to undertake such activities, until the environmental review is complete and the MO Department of Economic Development has issued a formal release of funds/environmental approval.

**FAILURE TO COMPLY WITH THESE REQUIREMENTS WILL  
JEOPARDIZE CDBG FUNDS FOR USE IN YOUR PROJECT**

## HUD/CDBG ENVIRONMENTAL LANGUAGE

Below are key HUD environmental terms. Knowledge of the terms and language within HUD's Part 58 regulation will aid in learning HUD environmental requirements; ensuring communication is clear among all parties involved. \* indicates additional information is provided later in the chapter.

**Activity** – Action by an applicant, grantee, or sub-recipient in a CDBG-assisted project regardless if the activity is paid with CDBG or non-CDBG funds. See Project Aggregation, below, for additional information.

**Certifying Officer** – Chief elected official, usually a presiding commissioner, mayor, or village chairperson, authorized to execute the *Request For Release of Funds and Certification* form, assumes role of *Responsible Federal Official* under NEPA and related Federal laws and authorities, and accepts jurisdiction of the Federal Courts on behalf of the Responsible Entity in environmental matters.

- \* **Conditions for Environmental Approval (Mitigation Measures Considered and Recommended)** – Measures to reduce potential impacts such as avoiding certain actions, limiting the degree or magnitude of an action and its implementation, and rectifying the impact through repair, rehabilitation, and/or restoration of the affected environment.
- \* **Environmental Assessment (EA)** – Concise public document exhibiting compliance with NEPA and providing evidence and analysis of a more complex review resulting in a determination of a Finding of No Significant Impact (FONSI), or a Finding of Significant Impact (FOSI).
- \* **Environmental Impact Statement (EIS)** – Highest level of review required when a project is determined to have a potentially significant impact on the human environment. Typically an environmental assessment (EA) is completed resulting in a Finding of Significant Impact (FOSI) therefore warranting an EIS. However, if significant impacts are anticipated or known early in the project planning process, an EIS could be prepared without first completing an EA.
- \* **Environmental Review Record (ERR)** – Concise public record containing original documentation related to the environmental review, decision-making, and activities undertaken in a project. The ERR must be available to the public upon request at the RE location; County Courthouse or City/Village offices.

**Human Environment** – Natural and physical environment and its relationship with people.

### **Impacts** –

- **Direct** - Impacts caused by the actions in a project which take place at the same time in the same location. For example, construction of a new water system directly impacts beneficiaries and property.
- **Indirect** – Secondary effects caused by project actions occurring later in time or farther removed in distance, but are still reasonably foreseeable. Indirect effects may include growth inducing effects and other impacts related to induced changes in the pattern of land use, population density or growth rate, and related effects on air and water and other natural systems, including ecosystems.
- **Cumulative Impacts** – Resulting when effects of an action are added to or interact with other effects in a particular place, within a particular time. Cumulative impacts accumulate over time, from one or more sources, and can result in degradation of valuable resources. Cumulative impact analysis should focus on the combined effects and resulting environmental damage.

**Project** – Activity or group of activities designed to accomplish, in whole or in part, a specific objective; what must be done in order to meet the particular needs of beneficiaries.

\* **Project Aggregation** – Grouping together and evaluating all individual activities related on a geographical or functional basis or that are logical parts of a contemplated action, regardless of funding source. Example: A city proposes to construct a new municipal water system including a water treatment facility and elevated water tank funded by USDA Rural Development, and distribution lines proposed with CDBG funds. The project goal is a new municipal water system. Although funded by two different sources, the activities are functionally related and must both be included in the project in order to accomplish a goal; therefore, all activities must be included in the environmental review.

**Release of Funds** – Official CDBG issuance of environmental review approval for a project. The release of funds is the State's response to an RE's submission of the Request For Release of Funds and Certification form (RROF/C).

\* **Request For Release of Funds/Certification (RROF/C)** – Form HUD-7015.15 – This HUD form is completed only if the project is determined either (1) Categorically Excluded Subject To (CEST) review under authorities listed at 58.5, and does not converted to Exempt; or (2) the project is determined to require an Environmental Assessment. The form is submitted to CDBG by an RE when requesting release of funds and requesting to use such funds. Submission of the form must occur no earlier than one day after the expiration of the local comment period for the appropriate notice, either the Notice of Intent To Request Release of Funds for a CEST level of review, or the Combined Notice (FONSI) for an EA level of review. The most current RROF/C form must be submitted.

**Responsible Entity (RE)** – For the State-administered CDBG program, the RE is always a unit of general local government assuming environmental responsibility for a project proposed for or funded with CDBG assistance, including certification of the RROF/C and ensuring any conditions, procedures, and requirements resulting from the environmental review are incorporated into project plans and successfully implemented.

**Scope** – The range of actions, alternatives, and impacts to be considered in an environmental assessment, as well as when a project requires completion of the HUD 8-Step Process for floodplains and wetlands.

\* **Statutory Checklist** – On its own, a document used for a lower level of review (CEST level or CEST level that converts to Exempt) to address environmental compliance required by other Federal laws, implementing regulations, Executive Orders, and for other HUD compliance requirements.

**Sub-recipient/sub-applicant** – For the State-administered CDBG program, this could include a State-recognized non-profit entity, public water or sewer district, fire or ambulance district, or for-profit business or developer responsible for notifying the RE immediately if changes or alternatives are proposed in the project.

\* **Tiering** – Appropriate when evaluating a project in early stages of development or when site-specific analysis or mitigation is not currently feasible and a narrower or focused analysis is better done at a later date.

## COMMONLY USED ENVIRONMENTAL ACRONYMS

- AAI** – All Appropriate Inquiries (US EPA)  
**ACHP** – Advisory Council on Historic Preservation  
**ACM** – Asbestos Containing Material  
**ADT** – Average Daily Traffic  
**AICUZ** – Air Installation Compatible Use Zone  
**APCP** – Air Protection Control Program  
**APE** – Area of Potential Effect  
**APZ** – Accident Potential Zones  
**ASD** – Acceptable Separation Distance  
**AST** – Aboveground Storage Tanks  
**ASTDR** – Agency for Toxic Substances and Disease Registry  
**ASTM** – American Society for Testing and Materials  
**BMP** – Best Management Practices  
**B/VCP** – Brownfields/Voluntary Cleanup Program (DNR)  
**CAA** – Clean Air Act  
**CAFO** – Confined Animal Feeding Operation  
**CDBG** – Community Development Block Grant  
**CDC** – Center for Disease Control  
**CENST** – Categorically Excluded Not Subject To  
**CEST** – Categorically Excluded Subject To  
**CERCLA** – Comprehensive Environmental Response, Compensation and Liability Act  
**CFR** – Code of Federal Regulations  
**CEQ** – Council on Environmental Quality  
**CLG** – Certified Local Government  
**CSR** – Code of State Regulations  
**CWA** – Clean Water Act  
**DED** – MO Department of Economic Development  
**DHSS** – MO Department of Health and Senior Services  
**DNL** – Day Night (average sound) Level  
**DNR** – MO Department of Natural Resources  
**DOC** – MO Department of Conservation  
**DOE** – United States Department of Energy  
**EA** – Environmental Assessment  
**EIS** – Environmental Impact Statement  
**EJ** – Environmental Justice  
**EO** – Executive Order  
**EPA** – United States Environmental Protection Agency  
**ESA** – Endangered Species Act

**ERR** – Environmental Review Record

**FAA** – Federal Aviation Administration

**FEMA** – Federal Emergency Management Agency

**FHBM** - Flood Hazard Boundary Map

**FHWA** – Federal Highways Administration

**FIRM** – Flood Insurance Rate Map

**FONSI** – Finding of No Significant Impact

**FOSI** – Finding of Significant Impact

**FPPA** – Farmland Protection Policy Act

**FR** – Federal Register

**HAP** – Hazardous Air Pollutant

**HUD** – United States Department of Housing and Urban Development

**LBP** – Lead Based Paint

**LESA** – Land Evaluation and Site Assessment

**MOA** – Memorandum of Agreement

**MODOT** – MO Department of Transportation

**MOU** – Memorandum of Understanding

**NAAQS** – National Ambient Air Quality Standards

**NAL** – Noise Assessment Location

**NBC** – National Building Code

**NEPA** – National Environmental Policy Act

**NESHAP** – National Emission Standards for Hazardous Air Pollutants

**NFIP** – National Flood Insurance Program

**NFPA** – National Fire Protection Association

**NHPA** – National Historic Preservation Act

**NIOSH** – National Institute for Occupational Safety and Health

**NOAA** – National Oceanic Atmospheric Administration

**NOI/RROF** – Notice of Intent to Request Release of Funds

**NPDES** – National Pollutant Discharge Elimination System

**NPL** – National Priority List

**NPS** – National Park Service

**NRCS** – National Resources Conservation Service, USDA

**NRI** – National Rivers Inventory

**NWI** – National Wetlands Inventory

**OSHA** – Occupational Safety and Health Act

**ORV** – Outstandingly Remarkable Values

**PA** – Programmatic Agreement

**PAR** – Preliminary Architectural Report

**PER** – Preliminary Engineering Report

**PZ** – Protection Zones

**RAP** – Remedial Action Plan

**RCOG** – Regional Council of Government

**RCRA** – Resource Conservation and Recovery Act

**RCZ** – Runway Clear Zones (also known as Runway Protection Zones)

**RE** – Responsible Entity (CDBG applicant or grantee)

**REC** – Recognized Environmental Condition

**RPC** – Regional Planning Commission

**RPZ** – Runway Protection Zones (also known as Runway Clear Zones)

**RROF/C** – Request for Release of Funds and Certification

**RSMo** – Missouri Revised Statute

**SBC** – Standard Building Code

**SDWA** – Safe Drinking Water Act

**SEMA** – MO State Emergency Management Agency

**SFHA** – Special Flood Hazard Area

**SHPO** – State Historic Preservation Office

**SIP** – State Implementation Plan

**SWD** – Storm Water Discharge

**SWPPP** – Storm Water Pollution Prevention Plan

**THPO** - Tribal Historic Preservation Officer

**TMDL** – Total Maximum Daily Loads

**TRI** – Toxic Release Inventory

**UBC** – Uniform Building Code

**UST** – Underground Storage Tank

**URA** – Uniform Relocation Act

**USACE** – United States Army Corps of Engineers

**USDA** – United States Department of Agriculture

**USDA RD** – Rural Development - United States Department of Agriculture

**USFWS** – United States Fish and Wildlife Service

**USGS** – United States Geological Survey

**WSR** – Wild and Scenic River

## STEPS IN THE CDBG ENVIRONMENTAL REVIEW PROCESS

### **STEP 1: DESIGNATE THE PERSON(S) RESPONSIBLE FOR PREPARING THE ENVIRONMENTAL REVIEW**

The Responsible Entity (RE) is always a unit of general local government (also known as CDBG applicant, grantee, or recipient) who assumes responsibility for the environment review, environmental decision-making, and all environmental actions. The RE must determine who has the knowledge, qualifications and experience necessary to assist in preparing the environmental documents.

***Remember, the RE is solely accountable should issues arise – choose the Environmental Preparer wisely!***

#### **➔ WHAT DOES IT TAKE TO BE AN ENVIRONMENTAL REVIEW PREPARER?**

1. **KNOWLEDGE** of HUD/CDBG program and NEPA compliance requirements through previous grants management and regular participation at CDBG trainings; local environmental issues; rural community and regional needs; and available resources.
2. **TIME** to conduct site visits; contact and consult with environmental regulatory agencies; analyze data and information; prepare required forms and paperwork; communicate regularly with the RE; keep the review process moving; ensure minimal mistakes are made.
3. **POSITIVE PARTNERSHIPS** with the RE, CDBG staff, community resource agencies, and Federal and State environmental regulatory and funding agencies.
4. **RESOURCES** such as current CDBG forms, manuals, and training materials; varied communication methods such as e-mail, fax, telephone, cell phone; and reliable means of transportation.
5. **FLEXIBILITY** to be available to REs at times that fit their schedules and needs.
6. **INNOVATIVENESS** to recognize and address the unique needs of each rural community and the ability to make the most of limited resources available.
7. **DESIRE** to ensure projects do not adversely impact the environment: the environment is compatible with the proposed project and all related activities; compliance is met with NEPA and Part 58 requirements.
8. **PRIDE** in ensuring work is complete, neat, organized, and free of errors.

#### **Commonly Used Options for Environmental Preparer:**

1. Use of existing RE (county/city) staff persons (engineer, planner, public works, city administrator, economic or community developer, county clerk, etc.)
2. Local Regional Planning Commissions & Regional Councils of Governments
3. Private Grant Consultants & Grant Administrators
4. Other Federal or State Environmental and/or Funding Agencies
5. Licensed/certified Engineers, Planners and/or Architects
6. Private Environmental Consultants/Agencies

#### **PLEASE BE AWARE!**

If CDBG funds are proposed to pay for any contract - including environmental studies and services - the RE must follow CDBG procurement methods. If CDBG funds are not proposed, then RE procurement methods apply.

## **STEP 2: CREATE THE ENVIRONMENTAL REVIEW RECORD (ERR) (24 CFR 58.38)**

The RE must maintain a written record of the environmental review undertaken for each project available for public review at the RE address. The ERR must provide a comprehensive project description and evidence of the process from start to finish including, but not limited to, the following:

1. Complete, detailed project description including *all activities proposed by all funding sources*
2. Description of pre-existing environmental conditions of the project site and surrounding area
3. Completion of current CDBG environmental forms applicable to the level of review required
4. Acceptable support documentation; color maps (U.S.G.S, aerial, zoning, FEMA floodplain, soil survey, etc.), web-based material, color photos, documented site visits & phone calls, agency consultations, site plans, architectural/engineering reports, prior environmental studies, agency comments and clearances, etc.
5. Proof of compliance with NEPA and related laws and authorities – DOCUMENTATION!
6. Conditions for environmental approval (mitigation measures) and proof of required implementation
7. All environmental studies required and completed for the project
8. Project and activity alternatives considered and the basis for the chosen alternative
9. Environmental notices
10. Evidence of opportunity for public involvement: application public hearing notices, minutes, sign-in sheets, postings, newspaper articles, etc.
11. Environmental determination (Finding) signed by the RE Certifying Officer
12. CDBG Request For Release of Funds/Certification (RROF/C)
13. CDBG Authority To Use Grant Funds - formal release of funds/environmental approval
14. Other information as requested by CDBG and Federal and State environmental regulatory agencies

The ERR is a legal document and the best and often only defense to prove compliance with applicable laws and regulations. The result should be a complete, yet concise record supporting each step of the environmental process ending in the final determination of the level of impact.

## **STEP 3: DEVELOP THE PROJECT DESCRIPTION**

The project description is critical in determining the level of environmental review required. A cold reader should clearly understand the scope, scale, nature and extent of a proposed project from the description. **Project descriptions should remain virtually identical on all forms and correspondence.**

At a minimum, the project description should contain the following:

1. ALL proposed project activities by all funding sources, described in detail
2. Entire project scope and all phases of the project from beginning to end
3. Exact project location(s)/area(s), supported by a locational map
4. Color photographs, site plans, project plans, renderings and maps (e.g., topographic, aerial)
5. Total project costs by all funding sources including in-kind (donated labor and materials) activities
6. Existing environment on and around project site and how it is expected to change due to a project
7. Temporary impacts anticipated by construction activities and a timeline for construction
8. Other information as recommended by CDBG, environmental agencies, and project professionals

<b><u>BE</u></b> <b><u>AWARE</u></b>	A <u>project</u> is the aggregation of all geographically & functionally related activities that accomplish a goal, becoming the basis for the environmental review. Projects must not be parsed into individual activities to enable separate, small-scale reviews. Rather, the project as a whole dictates the level of review required.
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## **STEP 4: DETERMINE THE LEVEL OF ENVIRONMENTAL REVIEW**

24 CFR Part 58 provides guidance for conducting the environmental review process. Every CDBG project requires some level of environmental review. The level of effort needed to prepare a review and the depth of analysis within should be proportional to the size and complexity of the proposed project. There are five levels of environmental review to consider:

1. Exempt
2. Categorically Excluded, Not Subject To 58.5 (CENST)
3. Categorically Excluded, Subject To 58.5 (CEST)
4. Environmental Assessment (EA)
5. Environmental Impact Statement (EIS)

### **➔ Exempt Activities (24 CFR 58.34)**

Exempt activities have no physical impact or result in no physical change on the environment. Other than documenting the level of review as Exempt, the RE does not have to comply with actions under NEPA and other provisions of laws or authorities cited in §58.5. Funds from any source may be used for Exempt activities once the Finding of Exemption form is completed and submitted to CDBG. The following activities are Exempt under §58.34:

1. Environmental and other studies, resource identification and development of plans and strategies;
2. Information and financial services;
3. Administrative and management activities;
4. Public services that will not have a physical impact or result in any physical changes, including but not limited to services concerned with employment, crime prevention, child care, health, drug abuse, education, counseling, energy conservation and welfare or recreational needs;
5. Inspections and testing of properties for hazards or defects;
6. Purchase of insurance;
7. Purchase of tools;
8. Engineering or design costs;
9. Technical assistance and training;
10. Assistance for temporary or permanent improvements that do not alter environmental conditions and are limited to protection, repair, or restoration activities necessary only to control or arrest the effects from disasters or imminent threats to public safety including those resulting from physical deterioration;
11. Payment of principal and interest on loans made or obligations guaranteed by HUD;
12. \*Any of the categorical exclusions listed in §58.35(a) provided there are no circumstances which require compliance with any other Federal laws and authorities cited in §58.5. (See below)

**\*Converting to Exempt** – Only those projects determined Categorically Excluded Subject To review of laws and authorities at 58.5 (CEST) may be converted to Exempt. A Statutory Checklist is completed first to review any project impacts. In order to convert, the Statutory Checklist review must result in no adverse effects on protected resources, with no mitigation needed, no permitting or agreements required, etc. The project cannot occur in a floodplain or wetland, and the Section 106 Review for assessing Historic Properties must result in a “No Historic Properties Affected” determination by the SHPO. Projects requiring the use of *Tiering* cannot be converted to Exempt. No publications, comment periods, and Request For Release of Funds process would be required.

## ➔ **Categorically Excluded Activities (24 CFR 58.35) – 2 Classifications**

If an activity is not determined Exempt, the RE must determine if it is Categorically Excluded. Categorically Excluded activities are those excluded from NEPA requirements, but may be subject to review under other Federal laws and authorities listed in 24 CFR 58.5. There are two classifications of Categorically Excluded activities; those listed under §58.35 (a) and those listed under §58.35(b).

### **(a) 58.35(a) Categorically Excluded Activities SUBJECT TO §58.5 (CEST):**

The following activities may be subject to review under authorities listed in §58.5:

- (1) Acquisition, repair, improvement, reconstruction, or rehabilitation of public facilities and improvements (other than buildings) when the facilities and improvements are in place and will be retained in the same use without change in size or capacity of more than 20 percent (e.g., replacement of water or sewer lines, reconstruction of curbs and sidewalks, repaving of streets).
- (2) Special projects directed to the removal of material and architectural barriers that restrict the mobility of and accessibility to elderly and handicapped persons.
- (3) Rehabilitation of buildings and improvements when the following conditions are met:
  - a. In the case of a building for residential use (with one to four units), the density is not increased beyond four units, the land use is not changed, and the footprint of the building is not increased in a floodplain or in a wetland;
  - b. In the case of multifamily residential buildings:
    - (a) Unit density is not changed more than 20 percent;
    - (b) The project does not involve changes in land use from residential to non-residential; and
    - (c) The estimated cost of rehabilitation is less than 75 percent of the total estimated cost of replacement after rehabilitation.
  - c. In the case of non-residential structures, including commercial, industrial and public buildings:
    - (a) The facilities and improvements are in place and will not be changed in size or capacity by more than 20 percent; and
    - (b) The activity does not involve a change in land use, such as from non-residential to residential, commercial to industrial, or from one industrial use to another.
- (4)(i) An individual action on up to four dwelling units where there is a maximum of four units on any one site. The units can be four one-unit buildings or one four-unit building or combination in between; or
  - (ii) An individual action on a project of five or more housing units developed on scattered sites when the sites are more than 2,000 feet apart and there are not more than four housing units on any one site.
  - (iii) Paragraphs (a)(4)(i) and (ii) of this section do not apply to rehabilitation of a building for residential use (with one to four units) (see paragraph (a)(3)(i) of this section).
- (5) Acquisition (including leasing) or disposition of, or equity loans on an existing structure, or acquisition (including leasing) of vacant land provided that the structure or land acquired, financed, or disposed of will be retained for the same use.
- (6) Combinations of the above activities.

**(b) 58.35(b) Categorically Excluded Activities NOT SUBJECT TO §58.5 (CENST):**

HUD has determined the following activities do not alter any conditions requiring a review of compliance determination under Federal laws and authorities cited in §58.5

- (1) Tenant-based rental assistance;
- (2) Supportive services including, but not limited to, health care, housing services, permanent housing placement, day care, nutritional services, short-term payments for rent/mortgage/utility costs, and assistance in gaining access to local, State, and Federal government benefits and services;
- (3) Operating costs including maintenance, security, operation, utilities, furnishings, equipment, supplies, staff training and recruitment and other incidental costs;
- (4) Economic development activities, including but not limited to, equipment purchase, inventory financing, interest subsidy, operating expenses and similar costs not associated with construction or expansion of existing operations;
- (5) Activities to assist homebuyers to purchase existing dwelling units or dwelling units under construction, including closing costs and down payment assistance, interest buy-downs, and similar activities that result in the transfer of title.
- (6) Affordable housing pre-development costs including legal, consulting, developer and other costs related to obtaining site options, project financing, administrative costs and fees for loan commitments, zoning approvals, and other related activities which do not have a physical impact.
- (7) Approval of supplemental assistance (including insurance or guarantee) to a project previously approved under this part, if the approval is made by the same responsible entity that conducted the environmental review on the original project and re-evaluation of the environmental findings is not required under §58.47.

➔ **Environmental Assessment (EA) (24 CFR 58.36)**

If a project is not Exempt or Categorically Excluded, an *Environmental Assessment (EA)* is required. (See 58.40 *Preparing the environmental assessment*, for more information.) The purpose of the EA is to determine the significance of environmental effects of a project and to assess alternative means to achieve an RE's objectives. Once actual and potential impacts of each project alternative are identified, the RE must then assess if mitigation measures are needed to undertake the project. It is at this point the RE is capable of determining if the project is generally feasible, with the ability to identify the most suitable project alternative to meet the needs of the RE and its beneficiaries. If significant impacts are anticipated with no reasonable means of mitigation apparent, the RE may reject the project or complete an Environmental Impact Statement (EIS). In all circumstances, the completed EA must provide sufficient evidence and analysis for determining whether to prepare an EIS.

Pursuant to 40 CFR Parts 1502 and 1508 – Chapter V--Council on Environmental Quality, an EA is a “concise public document” that should focus on issues that are truly important rather than “amassing needless detail”; and should be “analytic rather than encyclopedic”. Direct effects (effects occurring at the same time and place) and indirect effects (effects that “reasonably foreseeable”) should be included.

## ➔ **Environmental Impact Statements (EIS) (24 CFR 58.37)**

An Environmental Impact Statement is the highest level of review typically required after completion of an EA where the project is determined to have potentially significant impacts on the environment. Pursuant to 40 CFR 1508.27, *Significantly* as used in NEPA requires consideration of both *context* and *intensity* for measuring the severity of impacts.

- Context is the significance of an action relative to its setting. An impact can be of local, regional, and/or global importance. For example, if an action is occurring on a specific site, the significance of the impact would likely be greater on a local level rather than world-wide. Short-term and long-term impacts are relevant when assessing the context of an action.
- Intensity is the severity of an impact. Whether an impact is adverse or beneficial, significant effects may exist. When evaluating the intensity of an action, the following should be evaluated: degree of threat to health and safety; impacts to unique characteristics - local resources, historic resources/properties, endangered species, rivers, etc.; whether a project or actions are highly controversial or have the ability to establish a precedent for future actions with significant effects; significant cumulative, long-term impacts of actions; whether actions could violate Federal, State, or local laws specific to protecting the environment.

An EIS is normally required for the following circumstances [58.37(b)(1),(2), & (3)]

- project would provide a site or sites for, or result in the construction of, hospitals or nursing homes containing a total of 2,500 or more beds
- project would remove, demolish, convert, or substantially rehab 2,500 or more housing units, or would result in the construction or installation of 2,500 or more housing units, or would provide sites for 2,500 or more housing units
- project would provide enough additional water and sewer capacity to support 2,500 or more housing units. A project does not have to be intended specifically for residential use nor does it have to be totally new construction. If the project is designed to provide upgraded service to existing development as well as to serve new development, only that portion of the increased capacity which is intended to serve new development should be counted.

A project causing significant impacts to a small rural community may not pose the same level of significance to a large urban community. Context and intensity are keys in evaluating the significance of impacts.

**Example:** An industrial company plans to locate outside a rural community of 200 people, and CDBG funds are proposed for public infrastructure necessary to support company operations.

The company anticipates the following:

- Creation of 300 unskilled jobs with benefits, within the next 2 years;
- Shifts that run 24 hours
- Converting 200 acres of prime farmland to an industrial use;
- Significant water usage for its operations;
- Emitting unknown amounts of hazardous air pollutants;
- Heavy volumes of truck traffic through town and along a curvy 2-lane county road;
- Discharging varieties of waste into an impaired stream; and
- Housing an above-ground fuel storage tank farm near a low income neighborhood

Community characteristics:

- 75% low-to-moderate income population
- No planning and zoning
- Limited housing stock
- Private on-site septic systems
- Water is purchased from a PWSD whose supply is already limited. Current water rates are very low may increase if the company locates nearby.

The impacts of this project would likely result in the need for additional housing, increased water storage and system improvements, increased water rates, local and county road improvements and traffic control, expansion of educational facilities, and more childcare. The increase in population could tax local government, emergency response and law enforcement services, as well as health services, restaurants and retail establishments. Significant beneficial impacts to the community would include creation of 300 unskilled jobs with health benefits, the company's addition to the community's revenue stream, and indirect job creation from new retail shops and restaurants and the need for more service-related jobs. Increased revenues could assist in improving school facilities and public infrastructure. Although there would be some significant impacts to a developed urban community, impacts would likely not pose the same intensity and severity to the natural, human, and man-made environments as in a less-populated, low-income rural community. The Environmental Assessment for this project would likely result in a Finding of Significant Impact to the rural community, thereby warranting an EIS, or the RE's rejection of the project.

If a Finding of Significant Impact (FOSI) is determined by the RE, contact CDBG for consultation and guidance.

➔ *Once the level of environmental review is determined for your project, continue to **STEP 5 – completing the review procedures that are applicable to the level of review required for your project and related activities.***

## **STEP 5 – PROCEDURES FOR APPLICABLE LEVELS OF ENVIRONMENTAL REVIEW**

**KEEP IN  
MIND!**

CDBG forms and guidance cannot possibly be tailored to meet the needs of every project. Modify your review and explanations to adequately explain your particular project. Document all compliance relevant to your particular project.

### **● EXEMPT Projects and/or Activities (§58.34)**

A project may be determined Exempt when consisting of an exempt activity *only*, such as planning, or, a project may be comprised of both exempt and non-exempt activities. If there are both exempt and non-exempt activities in a project, it is only in this case that the exempt activities can be assessed separately in order to advance project development and/or payments for Exempt activities.

**Example:**

A CDBG project commonly includes both new construction and grant administration activities. Construction is a physical activity that by its very nature, impacts the environment to some degree. An environmental review for new construction entails an analysis of the project as a whole – as with an Environmental Assessment level of review. However, engineering design is an Exempt activity required for planning, development and implementation of a project, and for aiding in the environmental review. Engineering design by itself has no impact on the environment; therefore, funds may be expended for the engineering design activity only and may begin prior to completion of the Environmental Assessment, prior to DED's approval of the environmental review. The Environmental Assessment would then be completed to examine environmental impacts of the construction-related activities proposed.

When, as indicated in the example above, a project includes Exempt activities as well as those activities requiring a higher level of environmental review, more than one procedural step will apply to document compliance. For the above example, an Exempt determination must be documented for the engineering design in addition to the steps required to complete the environmental assessment for the new construction activities. **Remember that all Exempt activities included in your project must be documented in order to inform DED that compliance has been met and that project funds may be expended and are allowable for those Exempt activities.**

❖ **EXEMPT ONLY PROJECTS** - document as follows:

1. Complete the “*Determination of Level of Environmental Review*” form if the PROJECT AS A WHOLE is determined Exempt.
2. Complete the CDBG “**Finding of Exemption**” form identifying all Exempt activities in your project as indicated at §58.34. File both forms in the ERR and submit copies to CDBG. It is acceptable to fax or e-mail clear, signed copies; however, also mail originals to CDBG. If your project includes only Exempt activities, no further action is required. However, if there are any changes in the scope of the project, they are subject to environmental review requirements.

❖ **EXEMPT & NON-EXEMPT ACTIVITIES** - document as follows:

If your project includes Exempt AND non-Exempt activities, complete the “**Finding of Exemption**” form for all Exempt activities and then determine the level of review required for the project as a whole, continuing on to complete the procedures required for that level of review.

**REMEMBER!** The “**Finding of Exemption**” form is required if the project consists solely of one or more exempt activities, OR if the project requires that one or more exempt activities be undertaken in advance of the project as a whole. File the form in the ERR and submit a copy to CDBG.

● **CATEGORICALLY EXCLUDED Levels of Review – 2 classifications:**

1. **Categorically Excluded SUBJECT TO (CEST)** other related Federal laws and authorities [§58.35(a)] - the following procedures are required:
  - b. Complete the ‘*Determination of Level of Environmental Review*’ form.
  - c. Complete and submit the “*Section 106 Project Information Form*” and attachments to the SHPO and all Indian tribes identified for the county. SHPO has a minimum 30-day review period upon receipt of information. If the SHPO requests more information be submitted, a second 30-day review period will commence upon receipt of the additional information. In some instances, this review period may be longer. *It is wise to plan for a longer review.* Tribes have no specific deadline to respond - See “Consulting with Indian Tribes during the Section 106 Process”.
  - d. Submit project information to appropriate environmental agencies (i.e., US Army Corps of Engineers, US Fish and Wildlife, MO Dept. of Conservation, applicable DNR divisions, FEMA and SEMA, EPA, etc.)
  - e. Complete the “*Statutory Checklist*” and attach the “*Determination of Level of Environmental Review*” form. If the project lies in a floodplain or wetland, the “*HUD 8-Step Decision Making Process*” applies. Refer to the Statutory Checklist for steps in this process, and if applicable, follow and document all steps including publishing the “*Early Public Notice*”, *EPN - initial floodplain/wetland notice*, one time in a non-legal section of the newspaper of widest circulation, observing the 15-day comment period which begins the day after publication.
  - f. Once all environmental clearances applicable to the project are received, submit to CDBG: Statutory Checklist and all supporting documentation including copies of submittals to and responses from environmental agencies. After CDBG’s review, publish the “*Notice of Intent To*

*Request Release of Funds*" (*NOI*) and "*Notice of Explanation*" (*NOE - final floodplain/wetland notice, if applicable*) one time in a non-legal section of the newspaper of widest circulation. The NOI and NOE each require a 7-day local comment that may run concurrently beginning the day after publication. If any comments are received in writing, the local government must consider the comments, respond in writing, and provide copies of all correspondence to CDBG.

- g. Once the 7-day local comment period expires for the NOI and if applicable, the NOE, submit a copy of the publication(s) and affidavit(s) of publication along with the "*Request for Release of Funds and Certification*" (*RROF&C*) form to CDBG. It is acceptable to fax or e-mail clear, signed copies to expedite the comment period; however, originals must also be mailed to CDBG. The day after receipt of this information, CDBG will begin a 15-day State comment period reviewing the entire process for compliance.
- h. On the 16th day, pending resolution of any conditions or concerns by environmental agencies, individuals and groups, CDBG will release funds via a "***Pre-Grant Award Environmental Approval Letter***" for proposed projects not yet funded, or the "***Authority to Use Grant Funds***" for projects awarded CDBG funds.

**2. Categorically Excluded NOT SUBJECT TO (CENST)** other related Federal laws and authorities [§58.35(b)] - the following procedure is required:

- a. Complete the "*Categorical Exclusion Not Subject To Related Statutory Authorities*" form and "*Determination of Level of Review*" form. Submit both to CDBG Environmental Review Officer for review. It is acceptable to fax or e-mail clear, signed copies; however, mail originals to CDBG.
- b. Upon receipt and review by CDBG, the environmental review process is complete.

● **ENVIRONMENTAL ASSESSMENT Level of Review (EA) (§58.36)**

If a project is not Exempt or Categorically Excluded, it requires completion of an **Environmental Assessment (EA)** including applicable environmental notices and comment periods described below.

1. Complete the "*Determination of Environmental Review*" form.
2. Complete and submit the "*Section 106 Project Information Form*" and attachments to the SHPO and all Indian tribes identified for the county. SHPO has a minimum 30-day review period upon receipt of information. If the SHPO requests more information be submitted, a second 30-day review period will commence upon receipt of the additional information. In some instances, this review period may be longer. *It is wise to plan for a longer review.* Tribes have no specific deadline to respond - See "Consulting with Indian Tribes During the Section 106 Process".
3. Submit project information to appropriate environmental agencies (i.e., US Army Corps of Engineers, US Fish and Wildlife, MO Dept. of Conservation, applicable DNR divisions, FEMA and SEMA, EPA, etc.)
4. Complete the "*Environmental Assessment*" and document a Finding (FONSI or FOSI). Submit to CDBG: EA and all supporting documentation including copies of submittals to and responses from environmental agencies. After CDBG's review, publish applicable environmental public notices.  
**\*NOTE:** If USDA Rural Development (RD), MO Dept. of Natural Resources (DNR), MO Dept. of Transportation (MODOT), US Environmental Protection Agency (EPA), or other agency is involved in the project, REs may use these agencies' environmental reports but must review whether **all project activities by all funding sources are included and all CDBG environmental impact areas are addressed**. The RE Certifying Officer must sign and certify the report. If other Federal or State Agency environmental reports are considered, use the "*CDBG Environmental Impacts Checklist*", found in this chapter, to determine if CDBG requirements are met.

5. If a project lies in a floodplain or wetland, the “*HUD 8-Step Decision Making Process*” applies. Refer to the EA for steps in this process, and if applicable, follow and document all steps including publishing the “*Early Public Notice*” (*EPN* - initial floodplain/wetland notice), one time in a non-legal section of the newspaper of widest circulation, observing the 15-day comment period which begins the day after publication. If comments are received in writing, the RE must consider comments, respond in writing and submit copies of correspondence to CDBG. Move forward with steps 3-6 in the HUD 8-Step Process.
6. The 7<sup>th</sup> seventh step in HUD’s 8-Step Process is publishing the “*Notice of Explanation*” (*NOE-final floodplain/wetland notice*) one time in a non-legal section of the newspaper of widest circulation. This notice must not be published until the 15-day comment period expires for the “*EPN*”. Observe the *NOE* 7-day comment period which begins the day after publication. This notice must be published and the 7-day comment period expired before publishing the “*Combined Notice*”, explained below.
7. Publish the “*Combined Notice*” (*C/N - Notice of Finding of No Significant Impact/Notice of Intent to Request Release of Funds*), one time in a non-legal section of the newspaper of widest circulation. Submit notices to agencies listed further in this chapter. Observe the 15-day local comment period that begins the day after publication. If written comments are received, the RE must consider comments, respond in writing, and submit copies of correspondence to CDBG.
8. Once the 15-day local comment period expires, submit a copy of the publication(s), affidavit(s) of publication, proof of distribution of the C/N to environmental agencies, and “*Request for Release of Funds and Certification*” form (*RROF&C*) to CDBG. It is acceptable to fax or e-mail clear, signed copies to expedite the comment period; however, also mail originals to CDBG.
9. One day after receipt of all information, CDBG begins a 15-day State comment period. On the 16th day, pending any concerns by environmental agencies, CDBG will release funds via a “***Pre-Grant Award Environmental Approval Letter***” for proposed projects, or the “***Authority to Use Grant Funds***” for projects awarded CDBG funds.

**BE AWARE!**

If at any time the project scope changes, if new circumstances and/or environmental conditions arise, or if alternatives not considered originally are selected, the impacts of the changes/activities must be reassessed, and the original finding reviewed for validity. If a new finding is made, new environmental notices must be published and a new Request For Release of Funds and Certification process is required.

## FORMATTING AND DOCUMENT REQUIREMENTS

Please take pride in the work you complete. Submitting a complete and organized review will make it easier for CDBG staff to evaluate, allowing a quicker response. In order to produce a concise and reader-friendly environmental document, please adhere to the following recommendations.

1. Provide detailed explanations and descriptions as if no one knows anything about the project. Do not complete documents for the benefit of CDBG staff. Complete documents as if they will be read by the general public.
2. Compliance must be clearly documented by acceptable source documentation. Without documentation, there is no evidence compliance is achieved with all applicable laws and authorities.
3. PROOFREAD all correspondence and forms. Misspellings and omissions can change the entire context of a sentence.
4. Environmental forms and documents should be typed; not handwritten.
5. Complete the most current forms. You will be asked to re-submit documents on current forms, so stay up-to-date.
6. Indicate answers to questions in a separate color, larger font, and/or in bolded text so that they stand out and are easy to identify against the text of the form. Font sizes should be large enough to read comfortably.
7. Do not restate questions – answer them logically and specifically to the project.
8. When completing the *Environmental Assessment* and *Statutory Checklist*, **ensure each environmental topic does not run into the subsequent topic**. For example, the page addressing Historic Properties should be completely separate from Floodplain Management – do not allow them to run together. This is confusing and difficult for reviewers to track.
9. If there is not enough room on a form or within a section of a form to adequately explain an answer, attach additional pages as needed. Always instruct the reader to “See attachment”.
10. The project description should remain virtually identical on all forms and documents. This includes funding applications, engineering and architectural reports, and environmental forms. If changes are proposed after the application and engineering/architectural reports were completed, clearly explain this in the project description (i.e., what has changed, when the decision was made, and why the change is needed). If sites/locations change, provide a map indicating the original site(s) in relation to newly proposed site(s).
11. Maps should be in color, particularly if there are color-coded legends.
12. Photographs are best when in color.
13. Ensure all supporting documentation is current. Circumstances change – make sure you obtain the most up-to-date information. If a broken link on a website is encountered, or if a contact person or address has changed, please report this to CDBG.
14. If problems with formatting and/or computer program compatibility issues are encountered, contact CDBG – we'll help as best we can!

## PUBLIC PARTICIPATION & ENVIRONMENTAL REVIEW GUIDANCE

Public participation is a critical component of the environmental review process promoting effective planning, project development, implementation, and compliance with NEPA and HUD environmental requirements.

Public participation is rooted in the Council for Environmental Quality's (CEQ) regulations, the National Environmental Policy Act of 1969 (NEPA), U.S. Department of Housing and Urban Development environmental regulations, National Historic Preservation Act of 1966, and the Environmental Justice Executive Order 12898.

Public participation is often a requirement of the CDBG funding application process; however, it is also important for ensuring a safe, successful, and environmentally sound project. Below are ways to incorporate public participation into your project.

### CDBG APPLICATION PUBLIC HEARING (HEARING NO. 1)

#### ✓ **Public Hearing Notice:**

In addition to required language outlined in *Chapter II - Citizen Participation* of the *CDBG Administrative Manual*, following are **recommendations** for inclusion in the application public hearing notice with respect to **Environmental Review** compliance:

1. Date & time of the public hearing to facilitate as much public participation as possible;
2. Project contact information for the hearing, and for project & environmental-related questions;
3. *Anticipated* environmental impacts for discussion at the hearing (i.e., historic buildings, floodplains, wetlands, endangered species, contamination, flammable operations, noise concerns, traffic, etc.)
4. Notice must NOT state that CDBG funds are already committed or awarded to the project;

#### **Distributing the Hearing Notice:**

- a) Post at high-traffic public and/or private buildings;
- b) Post on local and/or regional websites (i.e., local governments, public libraries, economic development groups, RPCs/COGs, chambers of commerce, tourism sites, online news sites, local historic group sites, etc.)
- c) Distribute in newsletters & flyers;
- d) Direct invitations, *as deemed necessary or appropriate*, to members of the public including: individuals & residents; governmental, environmental, & funding agencies; local environmental-related groups; businesses; school administrations; housing agencies; neighborhood associations & groups; senior groups; hospital & other medical service-related industries; local emergency management organizations; civic organizations; religious groups, local media, etc., & any other individuals or groups who are anticipated to have interest in the proposed project.

#### ✓ **Public Hearing:**

In addition to requirements outlined in *Chapter II - Citizen Participation* of the *CDBG Administrative Manual*, the following are items **recommended** during the CDBG application public hearing to address **Environmental Review** compliance:

1. Attendance by local governmental officials and pertinent project parties: (i.e., project engineer/architect, sub-applicants/sub-recipients (not-for-profits, water/sewer districts, ambulance/fire districts, companies, business owners, property owners, etc.)
2. Following is project information recommended for explanation to the public and should be detailed in meeting minutes. In the event of a challenge, hearing minutes serve as an official record as to how the project was presented to the public:
  - a. Name of project
  - b. Purpose of project, project goals & outcomes
  - c. Description of all project activities by all funding sources
  - d. Total cost of project including environmental review preparation & any mitigation/modification costs
  - e. Proposed costs broken down by all funding sources proposed
  - f. Timeline of project including environmental review approval, onset of property easements & acquisition, & construction activities
  - g. Whether the project includes multiple municipal jurisdictions (identify all and lead applicant)

- h. Whether the project will be completed in phases and/or over years
- i. Whether acquisition and/or relocation is necessary for the project – outline rights of property owners under the federal Uniform Relocation Act (URA) requirements
- j. Identify all anticipated environmental impacts of the project on natural, human, & manmade environments
- k. Identify all anticipated environmental impacts to the project by surrounding environments
- l. All required permitting
- m. All mitigation measures, project modification, & conditions for approval anticipated during the project to protect lives, property, and the environment
- n. General overview of CDBG environmental review procedures
- o. RE's designation of the Preparer of the environmental review, if known; name of individual(s) & firm/agency
- p. Confidentiality to the extent feasible of proprietary information, business plans, & privacy of property owners
- q. Adequate time for discussion, questions, & answers
- r. Ability to provide follow-up information or hold additional public meetings, as necessary, particularly for controversial and complex projects

### **CDBG CLOSE OUT PUBLIC HEARING (HEARING NO. 2)**

In addition to required language outlined in *Chapter II - Citizen Participation* of the *CDBG Administrative Manual*, following are **recommendations** for inclusion in the close out public hearing notice with respect to **Environmental Review** compliance:

✓ **Public Hearing Notice:**

- 1. Date & time of the public hearing to facilitate as much public participation as possible;
- 2. Project contact information;
- 3. Descriptive name of project

**Distributing the Public Hearing Notice:**

- a. Post at high-traffic public & private buildings;
- b. Post on local and/or regional websites (i.e., local governments, public libraries, economic development groups, chambers of commerce, tourism sites, online news sites, local historic group sites, etc.)
- c. Distribute in newsletters & flyers;
- d. Direct invitations, *as deemed necessary or appropriate*, to members of the public including: individuals & residents; governmental, environmental, & funding agencies; local environmental-related groups; businesses; school administrations; housing agencies; neighborhood associations & groups; senior groups; hospital & other medical service-related industries; local emergency management organizations; civic organizations; religious groups, local media, etc., & any other individuals or groups who are anticipated to have interest in the proposed project.

✓ **Public Hearing:**

In addition to required language outlined in *Chapter II - Citizen Participation* of the *CDBG Administrative Manual*, following are **recommendations** for inclusion in the close out public hearing with respect to **Environmental Review** compliance:

- a. Name of project
- b. Purpose of project & final project outcomes – will it meet all needs originally identified?
- c. Description of all project activities by all funding sources undertaken during project
- d. Changes that occurred to the project as funded & environmentally reviewed
- e. Final total cost of project broken down by all funding sources
- f. Environmental impacts identified & addressed during construction
- g. Environmental impacts of the finished project
- h. Conditions for approval & whether all were satisfactorily completed & documented
- i. Adequate time for discussion, questions, & answers
- j. Flexibility to provide any follow-up information to the public

## PUBLIC PARTICIPATION IN ENVIRONMENTAL REGULATIONS:

### **Council on Environmental Quality (CEQ) Regulations:**

There shall be an early and open process for determining the scope of issues to be addressed and for identifying the significant issues related to a proposed action. This process shall be termed scoping.

Invite the participation of affected Federal, State, and local agencies, any affected Indian Tribe, the proponent of the action, and other interested persons (including those who might not be in accord with the action on environmental grounds)

### **National Environmental Policy Act of 1969 NEPA Regulation**

Agencies are required to make efforts to provide meaningful public involvement in their NEPA processes.

How agencies will inform the public that an action is proposed and the NEPA process is beginning (via Federal Register, newspapers, direct mailing, etc.); that certain documents are available; and that preliminary determinations have been made on the possible environmental effects of the proposal (e.g., what level of analysis the agency will initially undertake).

### **Sec. 1506.6 Public involvement**

Agencies shall:

- (a) Make diligent efforts to involve the public in preparing and implementing their NEPA procedures.
- (b) Provide public notice of NEPA-related hearings, public meetings, and the availability of environmental documents so as to inform those persons and agencies who may be interested or affected.
  1. In all cases the agency shall mail notice to those who have requested it on an individual action.
  2. In the case of an action with effects of national concern notice shall include publication in the Federal Register and notice by mail to national organizations reasonably expected to be interested in the matter and may include listing in the 102 Monitor. An agency engaged in rulemaking may provide notice by mail to national organizations who have requested that notice regularly be provided. Agencies shall maintain a list of such organizations.
  3. In the case of an action with effects primarily of local concern the notice may include:
    - (i) Notice to State and area-wide clearinghouses pursuant to OMB Circular A- 95 (Revised).
    - (ii) Notice to Indian tribes when effects may occur on reservations.
    - (iii) Following the affected State's public notice procedures for comparable actions.
    - (iv) Publication in local newspapers (in papers of general circulation rather than legal papers).
    - (v) Notice through other local media.
    - (vi) Notice to potentially interested community organizations including small business associations.
    - (vii) Publication in newsletters that may be expected to reach potentially interested persons.
    - (viii) Direct mailing to owners and occupants of nearby or affected property.
    - (ix) Posting of notice on and off site in the area where the action is to be located.
- (c) Hold or sponsor public hearings or public meetings whenever appropriate or in accordance with statutory requirements applicable to the agency. Criteria shall include whether there is:
  1. Substantial environmental controversy concerning the proposed action or substantial interest in holding the hearing.
  2. A request for a hearing by another agency with jurisdiction over the action supported by reasons why a hearing will be helpful. If a draft environmental impact statement is to be considered at a public

hearing, the agency should make the statement available to the public at least 15 days in advance (unless the purpose of the hearing is to provide information for the draft environmental impact statement).

- (d) Solicit appropriate information from the public.
- (e) Explain in its procedures where interested persons can get information or status reports on environmental impact statements and other elements of the NEPA process.
- (f) Make environmental impact statements, the comments received, and any underlying documents available to the public pursuant to the provisions of the Freedom of Information Act (5 U.S.C. 552), without regard to the exclusion for interagency memoranda where such memoranda transmit comments of Federal agencies on the environmental impact of the proposed action. Materials to be made available to the public shall be provided to the public without charge to the extent practicable, or at a fee which is not more than the actual costs of reproducing copies required to be sent to other Federal agencies, including the Council.

### **US Department of Housing and Urban Development (HUD) Regulation**

#### **§ 50.23 Public participation**

HUD shall inform the affected public about NEPA-related hearings, public meetings, and the availability of environmental documents (see 40 CFR 1506.6(b)) in accordance with this section.

#### **Environmental Justice Executive Order(E.O.) 12898**

**Fair treatment** means that no group of people should bear a disproportionate share of the negative environmental consequences resulting from industrial, governmental and commercial operations or policies.

**Meaningful Involvement** means that:

1. People have an opportunity to participate in decisions about activities that may affect their environment and health;
2. The public's contribution can influence the regulatory agency's decision;
3. Their concerns will be considered in the decision making process; and
4. The decision makers seek out and facilitate the involvement of those potentially affected

Early and meaningful public participation in the federal agency decision making process is a paramount goal of NEPA. CEQ's regulations require agencies to make diligent efforts to involve the public throughout the NEPA process. Participation of low income populations, minority populations, or tribal populations may require adaptive or innovative approaches to overcome linguistic, institutional, cultural, economic, historical, or other potential barriers to effective participation in the decision-making processes of Federal agencies under customary NEPA procedures. These barriers may range from agency failure to provide translation of documents to the scheduling of meetings at times and in places that are not convenient to working families.

The following steps may be considered, as appropriate, in developing an innovative strategy for effective public participation:

1. Coordination with individuals, institutions, or organizations in the affected community to educate the public about potential health and environmental impacts and enhance public involvement;
2. Translation of major documents (or summaries thereof), provision of translators at meetings, or other efforts as appropriate to ensure that limited-English speakers potentially affected by a proposed action have an understanding of the proposed action and its potential impacts;
3. Provision of opportunities for limited-English speaking members of the affected public to provide comments throughout the NEPA process;
4. Provision of opportunities for public participation through means other than written communication, such as personal interviews or use of audio or video recording devices to capture oral comments;
5. Use of periodic newsletters or summaries to provide updates on the NEPA process to keep the public informed;
6. Use of different meeting sizes or formats, or variation on the type and number of media used, so that communications are tailored to the particular community or population;

7. Circulation or creation of specialized materials that reflect the concerns and sensitivities of particular populations such as information about risks specific to subsistence consumers of fish, vegetation, or wildlife;
8. Use of locations and facilities that are local, convenient, and accessible to the disabled, low-income and minority communities, and Indian tribes; and
9. Assistance to hearing-impaired or sight-impaired individuals.

**36 CFR Part 800 - Section 106 of the National Historic Preservation Act of 1966-Protection of Historic Properties**

• **Key Elements: Involving the Public**

**Public involvement** is a critical aspect of the Section 106 process. Section 800.2(d) contains a standard that Federal agencies must adhere to as they go through the Section 106 process.

The **type** of public involvement will depend upon various factors, including but not limited to, the nature and complexity of the undertaking, the potential impact, the historic property, and the likely interest of the public in historic preservation issues.

**Confidentiality** concerns include those specified in Section 304 of the Act and legitimate concerns about proprietary information, business plans, and privacy of property owners.

Section 800.2(d)(2) sets a **notice and public information standard**. The public must be notified, with sufficient information to allow meaningful comments, so that they can express their views during the various stages and decision-making points of the Section 106 process.

It is intended that Federal agencies have **flexibility** in how they involve the public, including the use of the National Environmental Policy Act (NEPA) and other agency planning processes, as long as opportunities for such public involvement are adequate and consistent with subpart A of the regulations. Section 800.2(d)(3) provides reminders of this flexibility.

## PRELIMINARY ENGINEERING & ARCHITECTURAL REPORTS

Projects requiring an Environmental Assessment (EA) or Statutory Checklist (CEST level) will likely require a preliminary engineering (PER) and/or architectural report (PAR). Engineering reports are generally required for public infrastructure improvement projects such as water, sewer, storm sewer, utilities, roads, bridges, etc. Architectural reports are required for new construction or rehabilitation of buildings. Occasionally a project will require both types of reports. Following are items commonly included in PERs and PARs, but is not an all-inclusive list. Reports must be written to address the specific details of and need for a project. The level of effort needed to prepare the report and the depth of analysis within should be proportional to the size and complexity of the proposed project.

- **General Preliminary Engineering Report (PER) Contents:**

***Title Page:***

- Name of project
- Owner of system, property, facility, building, structure, infrastructure, etc.
- Name of CDBG applicant (county, city, village).
- Preparer name, agency/firm, address, phone, e-mail, and fax numbers, licensed to practice in Missouri
- Licensed engineer's seal, signature, and date of report

***Section 1: Purpose and Need for the Project***

- Purpose & need for new construction, expansion, or improvements of existing facilities; project beneficiaries
- Health & safety concerns
- Violations and/or environmental issues and agency concerns and recommendations
- Existing population and projected population for 20 years
- Projected economic growth
- Operation and maintenance (O&M) issues, if applicable
- Future needs of owners/beneficiaries
- Whether the project is in conformance with any existing comprehensive or strategic plans

***Section 2: Project Description – All activities by all funding sources***

- Details of the proposed project – size(s) of existing facilities, detailed improvements proposed, materials and amounts needed, whether project is multi-jurisdictional, whether project is to be completed in phases (explain each phase in detail, including timelines, as currently known)
- Timeline for construction
- Location - address, coordinates, legal description, maps, photos, sketches, legal & natural boundaries, major obstacles, elevations, general service area, etc.

***Section 3: Existing Facility/Infrastructure, and/or Land Description***

- Location of existing and/or proposed infrastructure or facility to be addressed by the project
- Location of property proposed for acquisition, if applicable, and a plan and timeline for acquisition
- Location of easements needed, if applicable, and a plan and timeline for acquiring easements
- Origin of funding for original facility or infrastructure, including any existing debt
- History and condition of facilities/infrastructure, *current* easements

***Section 4: Alternatives Considered – Include No Project/No Action Alternative***

- Description of each alternative (sites & designs) including: locations, design parameters, schematic layout map, land requirements, permitting, potential construction issues, environmental impacts, etc.)
- Construction and average annual operation and maintenance cost for each Alternative

***Section 5: Recommended Alternative for Proposed Project***

- Preferred alternative; reason for selection: cost, efficiency, environmental impacts, location, ease of construction, etc.

***Section 6: Project Cost & Project Financing***

- Total project cost all sources; existing & proposed project budget including costs for O&M, capital improvements, debt payment and status of reserve accounts, if applicable
- Anticipated annual operation & maintenance (O&M) cost for proposed project
- Technical, managerial, administrative capacity of owner/operator and/or applicant
- Funding source(s) for all project costs, additional O&M, and replacement costs
- Status of funding – contingencies by any sources; anticipated receipt of funding

***Section 7: Environmental Review/Impacts***

- General impacts to natural & manmade environments from construction & completed project: noise; odors; increased traffic and new traffic hazards; fugitive dust, etc.
- Environmental clearances needed; agencies' clearances/responses if received prior to completing PER
- Environmental permits needed and/or received; timeline for obtaining permits

- D. Environmental impacts for the No Action/No Project alternative
- E. Maps, photos, environmental studies and narratives
- F. Location, significance of, and anticipated impacts to important resources on and near project site(s): farmland; forest; conservation areas; wetlands; unique features; 100 & 500 year floodplains; streams, creeks, and river crossings; historic sites; critical habitats; low income & minority neighborhoods and residential areas; landfills; Superfund sites; flammable/hazardous facilities; air quality; water quality; mitigation; abatement of toxic or hazardous materials (heavy metals, asbestos, arsenic, etc.); etc.
- G. Land Use Compatibility and Planning & Zoning
- H. Construction best management practices and construction staging controls
- I. Storm water drainage including, NPDES permitting and storm water pollution prevention plan, if Applicable

**Section 9: Conclusion**

- A. Final recommendation
- B. Additional information and explanations

**• Preliminary Architectural Report Contents (PAR):**

***Title Page:***

- A. Name of project
- B. Owner of building, property, facility
- C. Name of CDBG applicant (county, city, or village); if multijurisdictional, list all applicants
- D. Name of CDBG sub-applicant, if applicable: public water, sewer, levee, drainage, etc. districts
- E. Preparer name, agency/firm, address, phone, e-mail, and fax numbers, licensed to practice in Missouri
- F. Licensed architect's seal, signature, and date of report

***Section 1: Purpose and Need for the Project***

- A. Purpose & need for any of the following proposed activities: new construction; expansion, improvements, demolition of existing facilities. Indicate the project beneficiaries.
- B. Health & safety concerns (structural issues, asbestos, lead based paint, mold, ADA accessibility, local health and safety ordinances, State health and safety requirements, etc.)
- C. Code and/or environmental violations, agency concerns and recommendations
- D. Operation and maintenance issues, if applicable
- E. Future needs of owners/beneficiaries
- F. Whether the project is in conformance with any existing comprehensive or strategic plans

***Section 2: Project Description – All activities by all funding sources***

- A. Description of proposed project T
- B. Timeline for construction
- C. Location of the building: legal & natural boundaries; Maps: topographic, area map indicating location of the building within the city or town; site map showing building(s)/site and adjacent streets, with appropriate notations, such as a north arrow and main entrance of the building; map of service area.

***Section 4: Existing Conditions On and Around the Project Site***

- A. Description of current conditions of the existing building, if applicable, and the overall site, including but not limited to code deficiencies, structural decay, presence of asbestos, lead paint, mold or moisture, subsidence issues
- B. Prior uses of the building, if applicable
- C. Current uses of surrounding buildings, if applicable, and description of surrounding environment
- D. Zoning and/or land use of the area

***Section 5: Alternatives Considered – Include No Project/No Action Alternative***

- A. Description of each alternative (sites & designs) including: locations, design parameters, schematic layout map, land requirements, permitting, potential construction issues, environmental impacts, etc.)
- B. Construction and average annual operation and maintenance cost for each Alternative

***Section 6: Recommended Alternative for Proposed Project***

- A. Preferred alternative; reason for selection: cost, efficiency, environmental impacts, location, ease of construction, etc.

***Section 7: Project Goals & Design Principles***

- A. Statement summarizing the goals of the project and the design principles governing the project (e.g. principles may be that public spaces receive the highest level of preservation; preserving the primary elevations of the building was important; retaining as many original design elements as possible was important, etc)

***Section 9: Project Cost & Project Financing***

- A. Total project cost all sources; existing & proposed project budget including costs for O&M, capital

***Section 10: Environmental Review/Impacts***

- A. General impacts to natural and manmade environments from construction or demolition and completed project: noise, odors, increased traffic and new hazards, parking availability, fugitive dust, etc.
- B. Environmental clearances needed; agencies' responses if received prior to completing the PAR
- C. Environmental permits needed and/or received; timeline for obtaining permits
- D. Environmental impacts of No Action/No Project alternative
- E. Any current or prior environmental studies, surveys, reports, testing, etc.
- F. Any prior abatement documentation for lead paint, mold, and asbestos
- G. Location, significance of, and anticipated impacts to important resources on and near project site(s): farmland; forest; conservation areas; wetlands; unique features; 100 & 500 year floodplains; streams, creeks, and rivers; historic sites; critical habitats; low income & minority neighborhoods and residential areas; landfills; Superfund sites; flammable/hazardous facilities; air quality; water quality; mitigation; abatement of toxic or hazardous materials (heavy metals, asbestos, arsenic, etc.); etc.
- G. Land Use Compatibility and Planning & Zoning
- H. Construction best management practices and construction staging controls

***Section 11: Conclusion***

- A. Final recommendations
- B. Additional information and explanations

***Section 12: Attachments***

- A. Proposed floor plans: Complete scaled floor plans of the proposed structure. Indicate all new construction.
- B. Demolition Plans, if applicable: Complete scaled floor plans of the existing structure. Indicate all proposed demolition. Elevation sections (even in sketch form).
- C. Elevations: All elevations of the existing building. If any elevation is to be changed, those changes must be explained.
- D. Historical information about the site including any architectural surveys and information from local historical societies, groups, or individuals
- E. Photographs of existing conditions both exterior and interior labeled and keyed to a site map, and existing floor plans. Preliminary photographs can be 3x5 color or black and white.
- F. Specifications: Specifications must be provided; general notes are acceptable in the preliminary stages of a project.
- G. Statement or certification that all improvements are consistent with the Americans with Disabilities Act and related laws.
- H. Renderings if relevant to the project

**Note:** Floor plans, elevations and sections must be drawn and notated with standard architectural forms and notations (e.g. plans must be drawn accurately; the entire building should be drawn; the width of the walls should be shown; doorways and door swings indicated, materials indicated when appropriate, etc.).

## CONDITIONS FOR APPROVAL

When reviewing project activities for potentially adverse environmental impacts, it may be determined that certain conditions be met to alleviate or minimize the effects during the course of the project. Once the environmental review process is complete, including the identification of any environmental conditions for approval and plan for implementation, DED would issue environmental approval (release of funds) with the condition that certain recommendations, mitigation measures or controls be included in design plans and construction contract documents, and appropriately implemented. Evidence that conditions were met would be reviewed during the project and/or at the time of project close out monitoring.

Conditions for approval could include, but are not limited to, any of the following:

- Federal, state, and/or local permitting and controls (i.e., air, water, storm water discharge, solid waste, floodplain management, permits to construct, permits to operate, etc.);
- Project design approval from other State agencies including water and wastewater engineering design by DNR, MODOT rights-of-way, railroad rights-of-way, and projects with transportation engineering, etc.;
- Recommendations from environmental agencies for implementation of construction best management practices;
- Local laws and ordinances requiring control of construction staging, noise, traffic, fugitive dust, etc.

Authorized environmental agencies; local zoning, codes and ordinances; and project architects/engineers are some of the resources to consult to determine whether conditions for approval are required in the project, as well as how to document that compliance is achieved.

***Example:** During the completion of the HUD 8-Step Decision Making Process for Floodplains it is determined that the only feasible alternative for the project is to locate a rural health clinic in an existing building which lies in the floodplain. After completion of the EA and applicable processes, DED would issue the release of funds with conditions for approval. Conditions for approval in this case could include compliance with the RE's local floodplain ordinance and permitting process mandating flood insurance on the building as well as implementing flood-proofing measures on the building during construction. The RE would submit documentation after construction as evidence floodplain management and flood insurance conditions for approval were satisfied. The project engineer/architect would submit the executed Certificate of Final Completion that conditions outlined in construction contracts were successfully implemented.*

Other common examples of projects with conditions for environmental approval:

- In the case of residential and commercial demolition projects, conditions for approval would include compliance with the NESHAP and MODNR asbestos requirements. The following documentation would be submitted to CDBG:
  - ☒ Asbestos inspection/risk assessment report
  - ☒ Evidence the inspector/risk assessor is certified through MODNR
  - ☒ Correspondence and notifications to DNR's Asbestos Unit
  - ☒ Evidence the abatement contractor is certified through MODNR
  - ☒ Permitted landfill receipts for all regulated asbestos containing materials (ACMs)
- Mitigation could be required if a project could adversely impact endangered species. The US Fish and Wildlife and the MO Department of Conservation could issue recommendations to minimize or avoid impacts to critical habitat through best management construction practices.

## TIERING (24 CFR §58.15)

Tiering is a means to environmentally assess a project in the early stages of development or when site-specific analysis is not currently feasible, resulting in a more focused evaluation once additional information and/or sites are known. Tiering is commonly used for demolition only projects in which some structures proposed for demolition may be known at the time of the Tier I Review with additional structures being considered later in the project. Tiering is also common for Downtown Revitalization and Micro-enterprise Loan projects. It may be beneficial to consult with CDBG if considering a tiered review. Following are guidelines when using the tiered review approached:

**Tier I Review: Broad Review.** The Tier I Review is completed to obtain environmental approval for the project as a whole, with the understanding that additional activities and/or sites will be added later in the project. Establish a plan (narrative) for the site-specific or subsequent reviews and address impacts that may occur on a typical site and/or an explanation provided of those impacts that would definitely vary by site. Provide a geographic designation of the area or region of potential Tier II sites. For large-scale county-wide or multi-county projects, designate specific priority areas within the counties and explain why they are areas of interest.

Address all laws and authorities for known sites and activities via the *Environmental Assessment* or *Statutory Checklist*, whichever is applicable to the level of review required, publish the applicable public notice(s) (NOI or Combined Notice and floodplain notices, if applicable) and observe the related comment periods. Public notices must clearly state that a tiered review approach will be used (e.g., "*A Tiered Review approach is being used for this project. As additional activities and/or properties become known, they will be assessed for relevant environmental impacts. Any mitigation measures required to alleviate or minimize adverse impacts will be implemented.*")

Submit the *Request for Release of Funds and Certification* (RROF/C) to DED after local comment periods expire. DED will issue environmental approval conditional upon completion of the Tier II Reviews for specific sites and activities identified later in the project.

**Tier II: Site-Specific Review.** Using the CDBG Tier II form, complete a review specific to each additional site identified through the course of the project, and submit to CDBG for review and comment. As long as Tier II Reviews address sites and activities established in the Tier I Review, and there are no significant and/or unanticipated impacts at each tiered site, then public notices and the RROF/C process are not required and site-specific activities may commence.

FY2011 CDBG Administrative Manual  
Environmental Review  
**TIER II REVIEW FORM**

Date:

Project Number:

Responsible Entity:

Project Name:

Preparer Signature:

Date:

**Location/Address**

**Preliminary Project Design**

Check and attach any of the following that are specific to the above address and that were not provided during the Tier I Review.

PER     PAR     Site Plan     Building Design/Renderings

Work Write Up     Cost Estimates     Other

**Project Description**

FY2011 CDBG Administrative Manual  
Environmental Review  
**TIER II REVIEW FORM**

**Conditions for Approval**

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**CERTIFICATION OF TIER II REVIEW:**

In my capacity as Certifying Officer on behalf of the Responsible Entity and in conformance with 24 CFR Part 58, I have reviewed the attached CDBG Tier II Assessment prepared by the above-designated individual. I have independently evaluated the information contained within the Tier II Assessment, supplemented the information where appropriate, and on behalf of the Responsible Entity, assume responsibility for the accuracy of the information contained therein.

There are:

- Anticipated impacts that were not adequately addressed in the Tier I Review.
- No anticipated impacts or impacts that were not adequately addressed in the Tier I Review.

I hereby approve the Tier II Review and all conditions for approval identified:

---

\_\_\_\_\_  
Signature, RE Certifying Officer

\_\_\_\_\_  
Date

## TIER II REVIEW FORM

### **Environmental Impacts:**

For each of the impact areas listed below, choose the appropriate option specific to the Tier II Review location:

Historic Properties	Choose Option
Floodplain	Choose Option
Flood Insurance	Choose Option
Wetlands	Choose Option
Airport Hazards	Choose Option
Endangered Species	Choose Option
Wild and Scenic Rivers	Choose Option
Farmland Protection	Choose Option
Noise Control	Choose Option
Explosive and Flammable Operations	Choose Option
Water Quality	Choose Option
Air Quality	Choose Option
Contamination and Toxic Materials	Choose Option
Environmental Justice	Choose Option
Land Use	Choose Option
Community Facilities and Services	Choose Option
Wastewater	Choose Option
Solid Waste	Choose Option
Storm Water Drainage	Choose Option
Lead Based Paint	Choose Option
Asbestos	Choose Option
Energy Consumption	Choose Option

## **TIER II REVIEW FORM**

Provide an explanation for each of the "Impacts Anticipated" chosen above (Refer to the appropriate section(s) of the Statutory Checklist or the Environmental Assessment for guidance in completing this section). Attach all supporting documentation (i.e., correspondence to and from environmental agencies, color maps/aerials, photographs, documented site visit, web based documentation, etc.).

## MULTI-YEAR/PHASED PROJECTS [24 CFR §58.32(d)]

The following are guidelines for preparing a useful multi-year or multi-phased environmental review for projects proposed to evolve over several years, as commonly used for large-scale and/or regional water and wastewater projects. The RE's environmental review should consider the relationship among all components of the multi-year/phased project regardless of the source of funds, addressing and evaluating their cumulative, direct, and indirect environmental effects.

The ERR shall contain a clear description of all known activities proposed throughout the course of the project, a timetable or schedule of the activities, and whether the environmental review is intended to encompass the project over time, in phases. Each phase must be explained in as much detail as possible at the time of the initial review. The estimated *total* project cost shall also be listed.

Address cumulative, direct, and indirect effects of all proposed activities that will occur in the project over several years. Include local and regional trends such as projected growth, and any future goals for the area such as new housing development and/or development of commercial areas that could not be accomplished without the CDBG-assisted project. Comprehensive plans are especially helpful in ensuring all related project activities are in conformance with plans, and typically explain the future goals and trends planned for an area or community.

Monitor the project to ensure it is progressing as planned in order to continue verifying the validity of the environmental review and finding. Update the ERR as necessary to include any changes to the scope, magnitude and location of project activities. Remember to contact environmental agencies for review and comment, as well as Indian tribes, when significant changes are proposed and prior to their implementation.

## OTHER FEDERAL/STATE/LOCAL AGENCY ENVIRONMENTAL REPORTS [24 CFR §58.14]

Responsible Entities must cooperate with other agencies to reduce duplication between NEPA and comparable environmental review requirements. A single EA may be prepared by one agency and used by other agencies participating in the same or geographically-related projects. Some information may be proprietary (e.g., ASTM Phase I Environmental Site Assessments, asbestos/lead paint inspections, historic surveys, geotechnical reports, etc.) and permission may be required prior to obtaining or using such information.

When USDA Rural Development, MO Dept. of Natural Resources (DNR), MO Housing Development Commission (MHDC), HUD, U.S. Dept. of Commerce, Economic Development Administration (EDA), MO Dept. of Transportation (MODOT), US Environmental Protection Agency (EPA), or other State or Federal agencies are partnering with CDBG in a project, the RE/grantee may use the environmental report to the extent practicable to assist in achieving compliance with NEPA and HUD requirements, provided the following are met:

Other agencies' environmental reports/assessments must be current and all project activities regardless of funding source must be included. Reports and assessment must be supplemented to include HUD/CDBG environmental compliance requirements. To ensure all requirements are met, it is helpful to use the '**CDBG Environmental Impact Checklist**', located in this chapter. Other agency environmental reports/assessments must be reader friendly and easy to follow and understand. The RE Certifying Officer must independently evaluate the report to ensure its accuracy and validity and sign off on the document, certifying his/her approval of and accepting responsibility for the information included.

As is customary, a copy of the entire environmental assessment/report and all supporting documentation must be submitted to CDBG for review and comment. Once CDBG evaluates the document and if no significant impacts are determined by the RE, the RE would publish the required HUD/CDBG public notices and observe applicable comment periods.

\* **PLEASE BE AWARE**, other agency environmental notices do not meet HUD compliance. You must publish **HUD/CDBG Environmental Notices**, (Combined Notice, Notice of Intent, Floodplain Notices, etc.) and observe applicable CDBG comment periods.

## **RE-EVALUATION OF ENVIRONMENTAL ASSESSMENTS AND OTHER ENVIRONMENTAL FINDINGS**

**[24 CFR §58.47]**

The re-evaluation of an environmental assessment or other environmental findings is required when new activities are added, unexpected conditions arise, or substantial changes are made to the nature, location, magnitude or extent of an existing or previous project. The RE must re-evaluate the Environmental Review Record (ERR) with respect to any changes in project scope to determine if the original finding [Finding of No Significant Impact (FONSI or Finding of Significant Impact (FOSI)] remains valid. If the RE determines the FONSI remains valid and the FONSI notice has already been published, no additional FONSI notice is required for publication. However, the RE must amend the existing CDBG environmental review record to document new activities/sites and environmental impacts associated with any changes proposed in the project prior to their implementation (see below). The RE is responsible for maintaining copies of ERRs previously completed. CDBG records are archived and destroyed after a specified time period – do not rely on CDBG to provide copies of prior ERRs. If the RE determines the original finding is no longer valid, it must prepare an Environmental Assessment (EA), or an Environmental Impact Statement (EIS) if its evaluation indicates potentially significant environmental impacts. Contact the CDBG Environmental Officer for guidance if an RE is re-evaluating its ERR.

### **AMENDING THE ORIGINAL ENVIRONMENTAL REVIEW RECORD (ERR)**

An amendment to an RE's existing CDBG environmental review record is required prior to finalizing any new project sites and implementing any new activities. All proposed changes must conform to the original project scope (the original need for the project). The "Amendment to the ERR" form must be completed and all supporting documentation attached. Submit to CDBG for review and comment. The RE Certifying Officer and the ER Preparer must sign and date the final submission. Amendments must be included in the RE's ERR.

## AMENDMENT TO THE ENVIRONMENTAL REVIEW RECORD

Date:  Project Number:   
  
Responsible Entity:  Project Name:

### Preliminary Project Design

Check the appropriate box or boxes and attach

PER

Date:

Firm

Addendums

Number of Addendums to Date

PAR

Date:

Firm

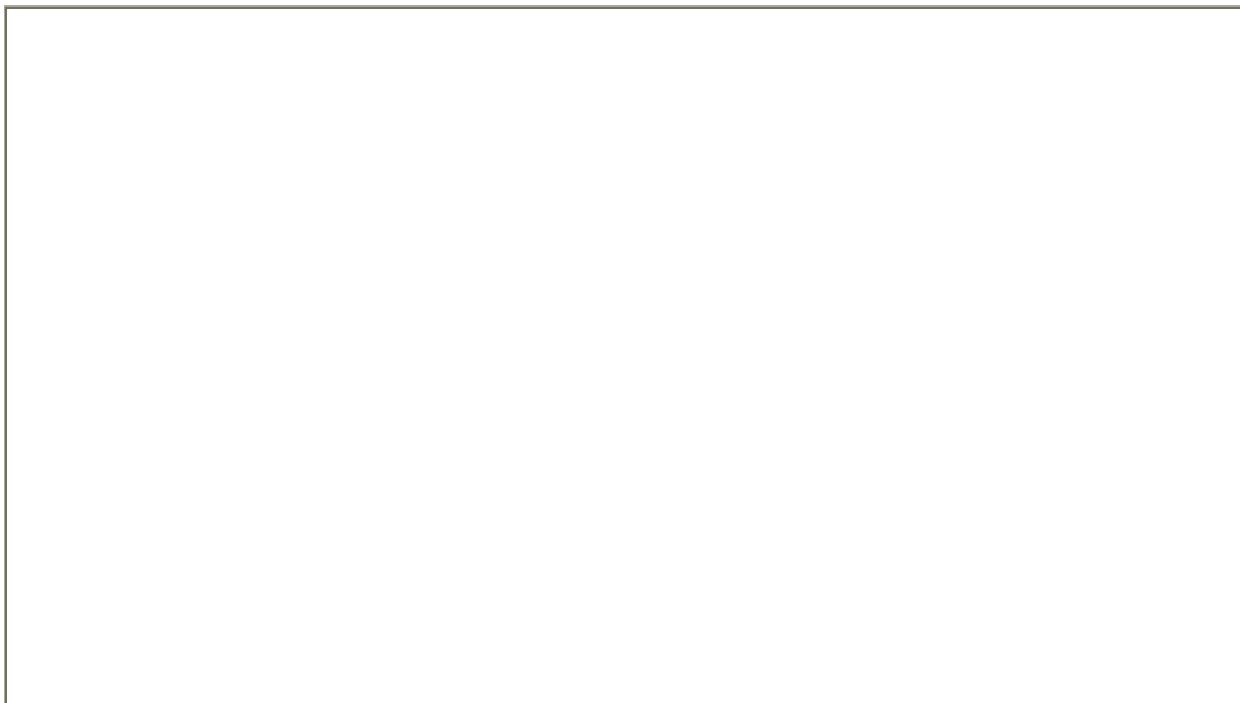
Addendums

Number of Addendums to Date

### Project Description As Funded/Original Review

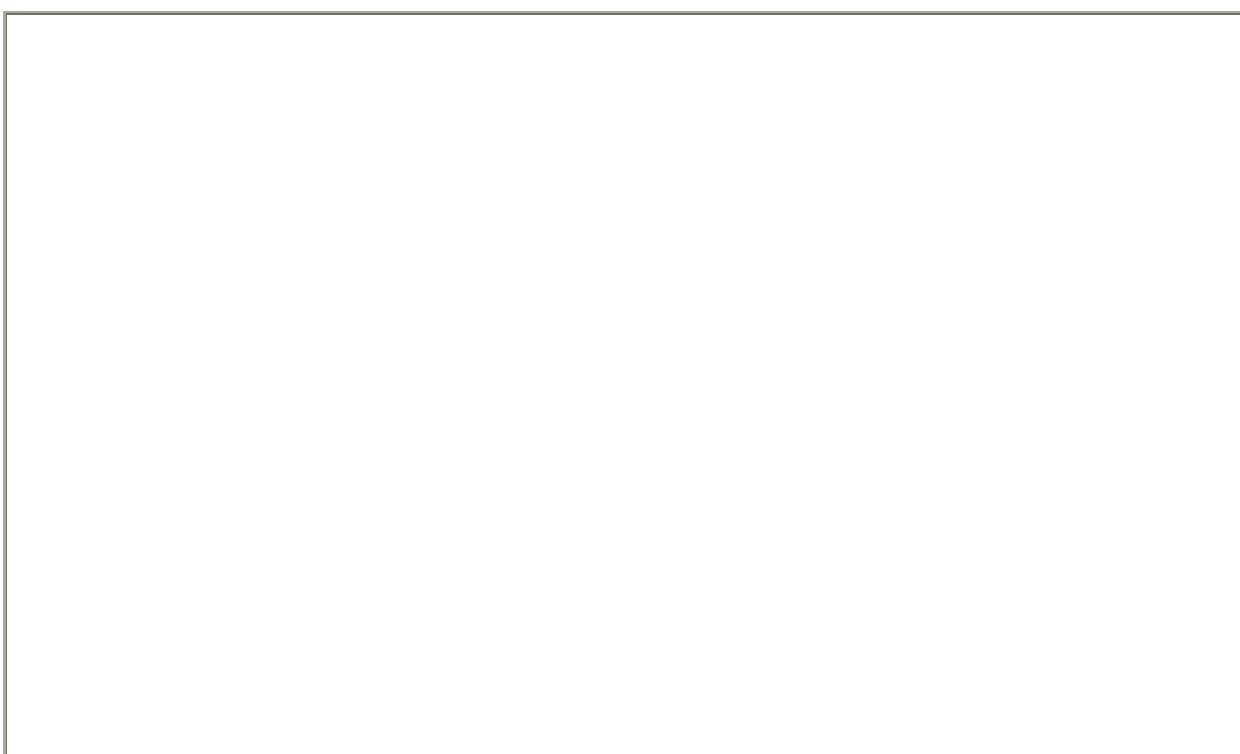
**Proposed Additional Project Activities**

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**Conditions for Approval**

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**Environmental Impacts:**

The following is a listing of all impact areas, noting any changes that may occur under the proposed project:

Historic Properties	Choose Option
Floodplain	Choose Option
Flood Insurance	Choose Option
Wetlands	Choose Option
Airport Hazards	Choose Option
Endangered Species	Choose Option
Wild and Scenic Rivers	Choose Option
Farmland Protection	Choose Option
Noise Control	Choose Option
Explosive and Flammable Operations	Choose Option
Water Quality	Choose Option
Air Quality	Choose Option
Contamination and Toxic Materials	Choose Option
Environmental Justice	Choose Option
Land Use	Choose Option
Community Facilities and Services	Choose Option
Wastewater	Choose Option
Solid Waste	Choose Option
Storm Water Drainage	Choose Option
Lead Based Paint	Choose Option
Asbestos	Choose Option
Energy Consumption	Choose Option

**Provide an explanation for each of the "Anticipated Impacts" chosen above (Refer to the appropriate section(s) of the Statutory Checklist or the Environmental Assessment for guidance in completing this section). Attach all supporting documentation (i.e., correspondence to and from environmental agencies, color maps/aerials, photographs, documented site visit, web based documentation, etc.).**

**CERTIFICATION OF ORIGINAL ENVIRONMENTAL FINDING:**

Pursuant to HUD Federal regulation 24 CFR 58.47 – *Re-evaluation of environmental assessment and other environmental findings*, the City/County of [REDACTED] has examined its original environmental review record and completed an Amendment to the Environmental Review Record and has determined that the original Finding of No Significant Impact (FONSI) remains valid. The City/County of [REDACTED] will contact the Missouri Department of Economic Development if further changes in the project scope occur, as changes are subject to environmental review requirements.

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Signature, RE Certifying Officer

[REDACTED]  
Date

---

Signature, RE Environmental Preparer

[REDACTED]  
Date

## ECONOMIC DEVELOPMENT PROJECTS

Timing is typically a concern with Economic Development (ED) projects. Most companies are anxious to begin expending funds and commencing construction activities once the project is known. It is critical that the environmental review be initiated as soon as possible to minimize and avoid delays, as well as to prevent actions from occurring that could jeopardize CDBG funding for use in a project. All parties in the project (e.g., CDBG applicants, key company personnel, economic developers, RPCs/RCOGs, private grant consultants, etc.) should be informed as soon as possible of HUD's environmental review requirements. Applicants (Responsible Entities) and companies should be provided the most current environmental review information available and be afforded the opportunity to make thoughtful decisions about designing the project in the early stages of development.

As is the case for all CDBG projects, some level of environmental review is required for ED projects, and all activities proposed by all funding sources must be included in the review. All geographically and functionally related activities make up a project. For example, a "project" is not simply a road proposed with CDBG funds; the road is merely one activity in the project. The project may be expansion of a company's operations. Activities for this expansion could include new construction of a facility AND the public road needed to support facility's operations. Individual activities must not be parsed out separately in an attempt to avoid completing environmental requirements.

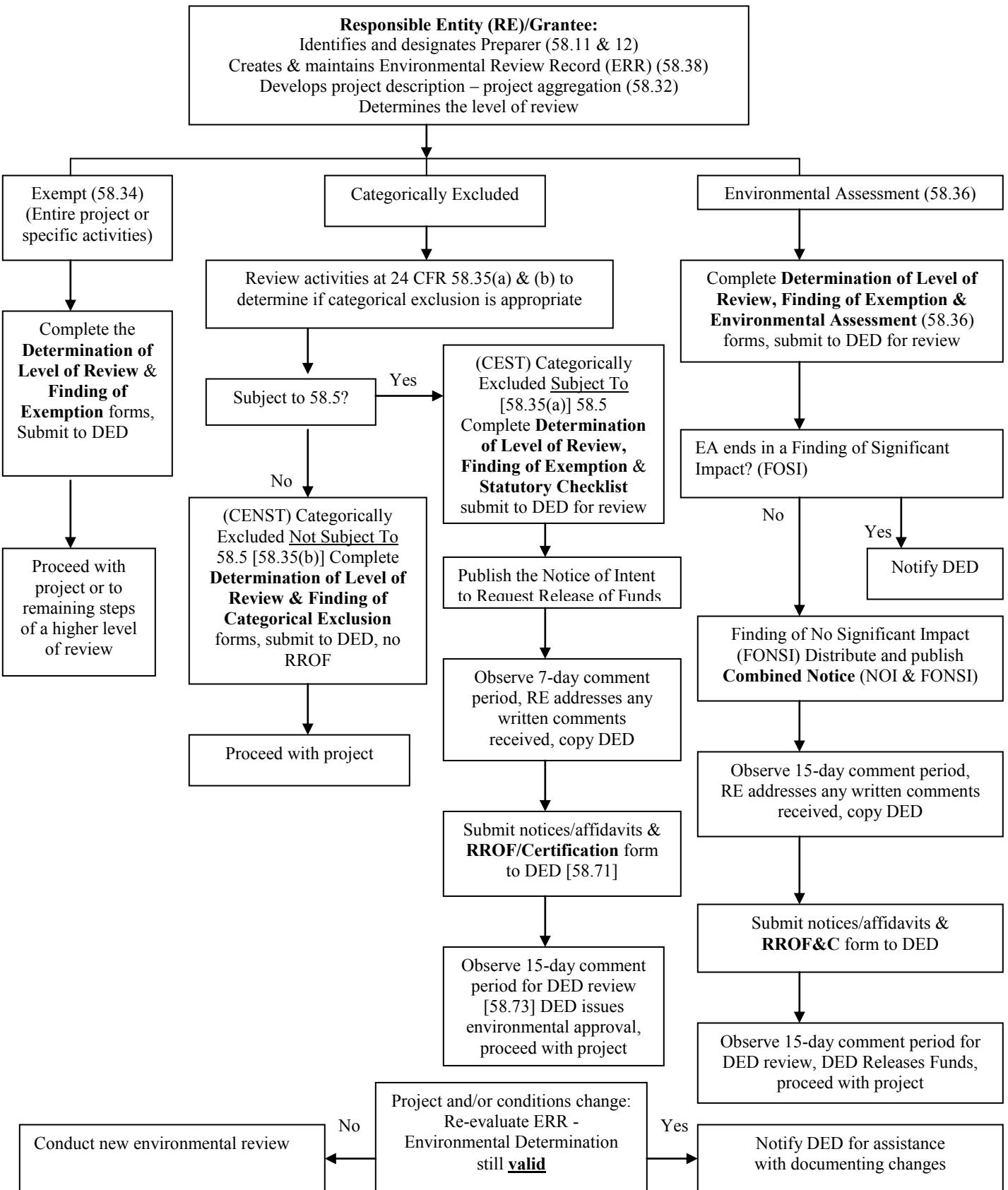
A project may involve more than one activity funded by several sources including other federal and state agencies, cities or counties, banks and other lending institutions, private individuals, companies, etc. Communication among all parties is critical to the success of these reviews.

Below are key points to consider when proposing CDBG funds for an ED project:

- All activities proposed by all funding sources must be included in the environmental review. Reviews are not conducted solely on activities proposed with CDBG funds.
- Ensure there is a detailed description of a company's operations along with their proposed activities.
- No construction, acquisition, rehabilitation, modifications, excavation, and no expenditures for working capital or installation of machinery and equipment proposed in the project must occur prior to the completion of the applicable environmental review. Doing so will jeopardize CDBG funds for use in the project.
- Initiate the environmental review as soon as the project is substantially known. If there is intent to apply for CDBG funds, the environmental review should be considered as early as possible in the project development process.
- Once the required CDBG application public hearing notice is published, environmental review requirements go into effect.
- The environmental review cannot be waived. Once the level of environmental review is determined for a project, all steps in that process are required for completion prior to beginning the project.
- Environmental review is authorized and regulated by Federal law, not DED policy.
- Environmental reports, assessments, reviews, etc., completed by other agencies, may not fulfill all CDBG requirements. However, this information may be adopted by a Responsible Entity for use in completing the CDBG environmental review.

**\*\* CONTACT THE CDBG ENVIRONMENTAL OFFICER AS SOON AS POSSIBLE IF CDBG FUNDS ARE PROPOSED FOR YOUR ED PROJECT.**

## MISSOURI CDBG ENVIRONMENTAL REVIEW PROCESS GENERAL FLOW OF REVIEW PROCEDURES 24 CFR PART 58





## COMMUNITY DEVELOPMENT BLOCK GRANT DETERMINATION OF LEVEL OF ENVIRONMENTAL REVIEW

RESPONSIBLE ENTITY (RE)	
PROJECT NAME	
CDBG PROJECT # (IF FUNDED)	DETAILED PROJECT LOCATION/ADDRESS
DETAILED PROJECT DESCRIPTION - <u>ALL</u> ACTIVITIES BY <u>ALL</u> FUNDING SOURCES (ATTACH ADDITIONAL PAGES AS NECESSARY)	
<p>The subject project has been reviewed by the RE pursuant to HUD regulation 24 CFR Part 58 and the following Determination of Level of Environmental Review is made:</p> <p><b>Check the box for the appropriate level and insert full citation in the blank space provided.</b> <b>Check <a href="http://www.access.gpo.gov/nara/cfr/waisidx_09/24cfr58_09.html">http://www.access.gpo.gov/nara/cfr/waisidx_09/24cfr58_09.html</a> for appropriate citation.</b></p> <p><input type="checkbox"/> <b><u>Exempt</u></b> from NEPA review requirements per 24 CFR 58.34(a)(_____)</p> <p><input type="checkbox"/> <b><u>Categorically Excluded NOT Subject To</u></b> (CENST) §58.5 authorities per 24 CFR 58.35(b)(_____)</p> <p><input type="checkbox"/> <b><u>Categorically Excluded SUBJECT To</u></b> (CEST) §58.5 authorities per 24 CFR 58.35(a)(_____) (The Statutory Checklist is required.)</p> <p><input type="checkbox"/> <b><u>Environmental Assessment</u></b> (EA) is required in accordance with subpart E of 24 CFR Part 58.36</p> <p><input type="checkbox"/> <b><u>Environmental Impact Statement</u></b> (EIS) is required.</p>	
The Environmental Review Record (ERR), pursuant to §58.38, contains all environmental documents, public notices and written determinations or findings required at Part 58 as evidence of the review, decision making, and actions pertaining to this particular project. Additional information, e.g., checklists, studies, analyses, and other documentation, are included, as appropriate, in the ERR.	
<b>PREPARED BY</b>	
PRINT NAME	SIGNATURE
TITLE	DATE
<b>RESPONSIBLE ENTITY CERTIFYING OFFICER</b>	
PRINT NAME	SIGNATURE
TITLE	DATE



**COMMUNITY DEVELOPMENT BLOCK GRANT  
FINDING OF EXEMPTION  
FOR SPECIFIC EXEMPT PROJECT ACTIVITIES OR EXEMPT ONLY  
PROJECT (24 CFR §58.34)**

RESPONSIBLE ENTITY (RE)	
RE ADDRESS	
PROJECT NAME	
CDBG PROJECT # <i>(IF FUNDED)</i>	TOTAL AMOUNT OF FUNDS FOR <u>EXEMPT ACTIVITIES</u>
The following activities have been determined <b>Exempt</b> pursuant to 24 CFR 58.34:	
LIST ALL EXEMPT ACTIVITIES - <b>BY ALL FUNDING SOURCES:</b>	
PREPARER SIGNATURE	
DATE	
PREPARER NAME & TITLE	
PREPARER'S AGENCY <i>(IF DIFFERENT FROM RE)</i>	
As RE Certifying Officer, I consent to the above finding of exemption for the above-listed project and/or specific activities. I understand the above are exempt from NEPA review requirements pursuant to 24 CFR 58.34; therefore, do not require a CDBG release of funds (environmental approval). I understand the RE may proceed with the above activities.	
RE CERTIFYING OFFICER SIGNATURE	DATE
RE CERTIFYING OFFICER NAME & TITLE	

MO 419-2896 (06-11)



## **FINDING OF CATEGORICAL EXCLUSION, NOT SUBJECT TO RELATED STATUTORY AUTHORITIES [24 CFR §58.35(b)]**

Responsible Entity/Grantee: \_\_\_\_\_

Project Name: \_\_\_\_\_

Project Number (*if funded*): \_\_\_\_\_

Certain CDBG funded activities that do not impose physical impacts require a Responsible Entity/grantee, as defined at 24 CFR §58.2, to determine whether the proposed activity is Categorically Excluded from the National Environmental Policy Act of 1969 (NEPA), as amended, and whether subject to the environmentally-related statutory authorities listed at 24 CFR §58.5.

This form provides a Responsible Entity/grantee with a format to make this determination. Attach a detailed description of the project to this form, as well as other applicable documentation as evidence of compliance, and submit to the CDBG Environmental Officer for review. Maintain all documentation in the Environmental Review Record (24 CFR §58.38). HUD's environmental regulation (24 CFR Part 58) should also be consulted as necessary.

**Provide a detailed description of all project activities by all funding sources:** (Attach additional pages as necessary.)

Check a **single box** that best describes or fits the proposed project.

- Tenant-based rental assistance [58.35(b)(1)].
- Supportive services [58.35(b)(2)], including, but not limited to, health care, housing services, permanent housing placement, day care, nutritional services, and short-term payments for rent/mortgage/utility costs.
- Operating costs [58.35(b)(3)], including maintenance, security, operation, utilities, furnishings, equipment, supplies, staff training and recruitment, and other incidental costs.
- Economic development activities [58.35(b)(4)], including, but not limited to, equipment purchase, inventory financing, interest subsidy, operating expenses, and similar costs not associated with construction or expansion of existing operations.
- Activities to assist homeownership of existing or new dwelling units not assisted with Federal funds [58.35(b)(5)], including closing costs and down payment assistance to home buyers, interest buy-downs, and similar activities that result in the transfer of title to a property.
- Affordable housing predevelopment costs [58.35(b)(6)], including legal, consulting, developer and other costs related to obtaining site options, project financing, administrative costs and fees for loan commitments, zoning approvals, and other related activities which do not have a physical impact.

**§58.6 Requirements:** Additionally, the Responsible Entity/grantee must ensure compliance with §58.6 requirements; Flood Disaster Protection Act of 1973/Flood Insurance, Coastal Barriers Resources Act, and Airport Runway Clear Zones/Clear Zone Disclosures. Completion of the remainder of this form, along with attached documentation, will serve as evidence of compliance with these requirements.

Does the project involve acquisition, construction, or rehabilitation of structures, buildings,  YES  NO or mobile homes by any funding sources? (Attach FEMA/FIRM Map, Panel Number and Date as documentation)

If Yes, does the community participate in the National Flood Insurance Program (or has less than one year passed since FEMA notification of Special Flood Hazards)? (Attach page listing from FEMA Community Status Book <http://www.fema.gov/fema/csb.shtm>)  YES  NO

If Yes, and the project lies in a FEMA-identified Special Flood Hazard Area and HUD/CDBG assistance is provided as a grant, flood insurance must be maintained for the economic life of the project, in the amount of total project costs, or up to the maximum allowable coverage, whichever is less. If HUD/CDBG assistance is provided as a loan, insurance must be maintained for the term of the loan, in the amount of the loan, or up to the maximum allowable coverage, whichever is less. A copy of the flood insurance policy declaration must be contained in the Environmental Review Record.

**If No, Federal assistance may not be used in the Special Flood Hazard Area.**

Is the project located in a Coastal Barrier Resource Area? (There are no CBRA's in MO.)  YES  NO  
Print and attach - <http://coastalmanagement.noaa.gov/mystate/welcome.html>

Does the proposed activity entail the sale or acquisition of existing property within a Civil Airport's Runway Protection Zone, Approach Protection Zone, or a Military Installation's Protection Zone?

If Yes, the Responsible Entity/grantee shall provide notification to the prospective buyer in accordance with the procedures at 24 CFR §58.6(c) and a copy of the signed disclosure statement must be attached to this form and submitted to CDBG, and maintained in the Environmental Review Record.

In accordance with the provisions at 24 CFR §58.35(b), the Responsible Entity/grantee as cited below has determined the subject CDBG-assisted activity (or project) explained above is Categorically Excluded from the National Environmental Policy Act of 1969 (NEPA), as amended, and Not Subject to the Related Part 58.5 Statutory Authorities.

<b>RESPONSIBLE ENTITY (RE) LOCATION (CITY/COUNTY)</b>	<b>DATE</b>

<b>PREPARED BY</b>	
PRINT NAME	SIGNATURE

<b>RE/GRAANTEE CERTIFYING OFFICER</b>	
SIGNATURE	

MO 419-2895 (06-11)

## USE OF THE FIELD VISIT CHECKLIST & SITE EVALUATION FORM

Completion of the following checklist is used to document conditions on and around a proposed project site during any stage of project development. It is beneficial to the environmental review preparer as a reference to later recall site conditions, and helpful to anyone trying to understand the scope of the proposed project. In most circumstances, a field visit should be conducted and documented. Completion of this form may serve as a source of documentation when completing any level of environmental review; especially when relevant maps and/or photographs taken during field visits are included. *Attach additional pages as appropriate for further comment and explanation of the project site.* When interviewing individuals during a field visit, it is appropriate to list their names and relationship to the project and project site, along with comments and information received.

<b>FIELD VISIT CHECKLIST &amp; SITE EVALUATION</b>															
<b>Date of Visit:</b>	<b>Time:</b>														
<b>Grantee/Applicant:</b>															
<b>Project Name:</b>	<b>CDBG Project # (if funded):</b>														
<b>Project Location/Address:</b>															
<b>Project Area Bounded By: Size of the site, owner(s)</b>															
<b>Site Dimensions:</b>															
<b>Site Owner(s):</b>															
<b>Field Visit Conducted By:</b>															
<b>Attach the following:</b> <ul style="list-style-type: none"> <li>▪ Photographs of site and surrounding areas</li> <li>▪ Maps (street, topographic, aerial, etc.)</li> </ul>															
<b>EXISTING ENVIRONMENTAL CONDITIONS ON &amp; AROUND SITE:</b>															
<b>Land Use/Zoning</b> - check all that apply: <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;"><input type="checkbox"/> Residential</td> <td style="width: 25%;"><input type="checkbox"/> Retail</td> <td style="width: 25%;"><input type="checkbox"/> Never Developed</td> <td style="width: 25%;"><input type="checkbox"/> Light Industrial</td> </tr> <tr> <td><input type="checkbox"/> Recreational</td> <td><input type="checkbox"/> Commercial</td> <td><input type="checkbox"/> Heavy industrial</td> <td><input type="checkbox"/> Currently Farmed</td> </tr> <tr> <td><input type="checkbox"/> Forest</td> <td><input type="checkbox"/> Pasture</td> <td><input type="checkbox"/> Conservation Area</td> <td><input type="checkbox"/> Other _____</td> </tr> </table>				<input type="checkbox"/> Residential	<input type="checkbox"/> Retail	<input type="checkbox"/> Never Developed	<input type="checkbox"/> Light Industrial	<input type="checkbox"/> Recreational	<input type="checkbox"/> Commercial	<input type="checkbox"/> Heavy industrial	<input type="checkbox"/> Currently Farmed	<input type="checkbox"/> Forest	<input type="checkbox"/> Pasture	<input type="checkbox"/> Conservation Area	<input type="checkbox"/> Other _____
<input type="checkbox"/> Residential	<input type="checkbox"/> Retail	<input type="checkbox"/> Never Developed	<input type="checkbox"/> Light Industrial												
<input type="checkbox"/> Recreational	<input type="checkbox"/> Commercial	<input type="checkbox"/> Heavy industrial	<input type="checkbox"/> Currently Farmed												
<input type="checkbox"/> Forest	<input type="checkbox"/> Pasture	<input type="checkbox"/> Conservation Area	<input type="checkbox"/> Other _____												
<b>General Description of Existing Conditions:</b> (Explain in detail and attach additional pages as necessary.)															
<b>Site Features and Topography:</b> (i.e., elevations, unique natural features, site slope, ravines, banks, mounds, caverns, cliffs, hills, depressions, erosion, sedimentation, drainage paths, etc. )															
<b>Describe Site Access – Ingress &amp; Egress:</b> (Ease of accessing and exiting site, traffic control at site, safety and line of site, etc.)															
<b>Interviews Conducted:</b> (Include names and titles of interviewees)															

## FIELD VISIT CHECKLIST & SITE EVALUATION

**Existing infrastructure on or near site - check all that apply and comment as appropriate:**

<input type="checkbox"/> Unpaved Roads Condition:	<input type="checkbox"/> Railroad Facilities/Tracks/Spurs Condition:
<input type="checkbox"/> Paved Roads Condition:	<input type="checkbox"/> Fencing/Security Condition:
<input type="checkbox"/> Sidewalks Condition:	<input type="checkbox"/> Culverts Condition:
<input type="checkbox"/> Crosswalks Condition:	<input type="checkbox"/> Drop Inlets Condition:
<input type="checkbox"/> Curb/Guttering Condition:	<input type="checkbox"/> Bridges Condition:
<input type="checkbox"/> Ditches Condition:	<input type="checkbox"/> Water Treatment Facility Condition:
<input type="checkbox"/> Water Lines	<input type="checkbox"/> Centralized Sewer System
<input type="checkbox"/> Water Wells	<input type="checkbox"/> Street Lights
<input type="checkbox"/> Parking Facilities Condition:	<input type="checkbox"/> Sewer Treatment Facilities Condition:
<input type="checkbox"/> Intersections Condition:	<input type="checkbox"/> Septic Tanks/Systems Condition:
<input type="checkbox"/> Bike/Pedestrian Lanes/Paths	<input type="checkbox"/> Gas Lines
<input type="checkbox"/> Electricity	<input type="checkbox"/> Fire Hydrants
<input type="checkbox"/> Traffic Signs	<input type="checkbox"/> Traffic Lights
<input type="checkbox"/> Airport/Airport Clear Zones	<input type="checkbox"/> 911 Emergency Systems
<input type="checkbox"/> Other	<input type="checkbox"/> Other

**Check all that exists on or in close proximity to the project site. Further evaluation and documentation may be warranted if there is potential for environmental concerns.**

<input type="checkbox"/> Airport	<input type="checkbox"/> Gas Station	<input type="checkbox"/> Police Station
<input type="checkbox"/> Ambulance Facility	<input type="checkbox"/> Grocery Store	<input type="checkbox"/> Power Station/Transformer
<input type="checkbox"/> Animal Processing Plant	<input type="checkbox"/> Group Home	<input type="checkbox"/> Printing Facilities
<input type="checkbox"/> Auto Repair Shop	<input type="checkbox"/> Heavily Traveled Roads	<input type="checkbox"/> Prison/Jail/Detention Center
<input type="checkbox"/> Bio-diesel Facility	<input type="checkbox"/> Heavy/Light Manufacturing Facilities	<input type="checkbox"/> Quarry
<input type="checkbox"/> Bus Stop/Station	<input type="checkbox"/> Highways – Interstate/State	<input type="checkbox"/> Recycling Facilities
<input type="checkbox"/> Airport	<input type="checkbox"/> Historical Sites/Buildings	<input type="checkbox"/> Restaurants
<input type="checkbox"/> Car Dealership	<input type="checkbox"/> Hospitals	<input type="checkbox"/> Retaining Walls
<input type="checkbox"/> Cemeteries	<input type="checkbox"/> Industrial Park	<input type="checkbox"/> Rivers
<input type="checkbox"/> Chemical Manufacturer	<input type="checkbox"/> Lakes/Ponds	<input type="checkbox"/> Schools
<input type="checkbox"/> Churches	<input type="checkbox"/> Library	<input type="checkbox"/> Senior Center
<input type="checkbox"/> Car Dealership	<input type="checkbox"/> Low Income Housing	<input type="checkbox"/> Senior Housing
<input type="checkbox"/> Community Center	<input type="checkbox"/> Medical/Health Clinic	<input type="checkbox"/> Sheltered Workshop
<input type="checkbox"/> Conservation Areas	<input type="checkbox"/> Museum	<input type="checkbox"/> Shopping Centers
<input type="checkbox"/> Daycare Center	<input type="checkbox"/> Neighborhoods	<input type="checkbox"/> Storage/Use of Explosives/Flammables
<input type="checkbox"/> Doctor's Office/Health Clinic	<input type="checkbox"/> Nursing Homes	<input type="checkbox"/> Streams/Creeks
<input type="checkbox"/> Dry Cleaners	<input type="checkbox"/> Office Buildings	<input type="checkbox"/> Train Depot
<input type="checkbox"/> Ethanol Plant	<input type="checkbox"/> Open Spaces	<input type="checkbox"/> Shopping Centers
<input type="checkbox"/> Fire Station	<input type="checkbox"/> Parks/Playgrounds	<input type="checkbox"/> Veterinary Clinic/Hospital
<input type="checkbox"/> Funeral Home	<input type="checkbox"/> Paint Facilities	<input type="checkbox"/> Youth Center

## FIELD VISIT CHECKLIST & SITE EVALUATION

**Contamination & Toxic Materials – (check all that apply):**  **None identified on/adjacent to site.**

Based upon visual inspections of the project site and adjacent properties, indicate evidence of the following. An explanation should accompany any items checked. Further evaluation and documentation may be warranted if there is potential for environmental concerns.

- Underground Storage Tanks – (Known to be on site)**
- Vent or Fill Pipes** – a possible indication of current or previous existence of underground storage tanks
- Distressed Vegetation** – a possible indication of soil or ground water contamination
- Aboveground Storage/Oil Tanks, Barrels or Questionable Containers** – possible indication of the use of propane/ heating fuels, chemicals, and petroleum products
- Pits, Ponds, or Lagoons** – these have the potential to hold liquids or sludge-containing hazardous substances or petroleum products. The potential is increased if there also exists water discoloration, distressed vegetation, and/or wastewater discharge.
- Stained Soil or Pavement** (other than water stains) – a possible indication soil is contaminated as well as a sign of current or previous leakage of piping and liquid storage containers.
- Pungent, Foul or Noxious Odors** – a possible indication of leaks of hazardous substances or petroleum products or contaminants.
- Land Fills**
- Dumped Material, Solid Waste, or Soil, Mounds of Dirt, Rubble Fill, etc.** – as their origins may be unknown, there is potential for transfer of contamination. Look for other signs of contamination as described above.

**Provide any supplementary information, descriptions, explanations, and/or comments below – attach additional pages as appropriate:**

**Signature & Title of Preparer:**

**Date Form Completed:**

**SAMPLE COVER LETTER TO ENVIRONMENTAL AGENCIES**  
**REQUEST FOR PROJECT REVIEW & COMMENT/CLEARANCE**

*(Date)*

Mr./Ms. \_\_\_\_\_

Agency Name \_\_\_\_\_

Address \_\_\_\_\_

Address \_\_\_\_\_

RE: ***Grantee/applicant & Descriptive name of project***

Dear \_\_\_\_\_,

The ***City/County/Village*** of \_\_\_\_\_ is preparing a NEPA environmental review regarding a funding application for the State-administered Community Development Block Grant Program (CDBG). The ***City/County/Village*** requests your review of this proposed project to determine the potential for any adverse environmental impacts (*list specific environmental impacts to be addressed, as appropriate*).

The proposed project is located at (*Detailed address – street/road/highway address, coordinates, boundaries, city, county, etc.*) and will consist of (*Detailed description of project including all activities proposed by all funding sources - all project descriptions should remain the same on all project documents*).

**Enclosed you will find the following items:**

- Topographic map with project site clearly identified**
- Aerial map**
- Color photographs of the site and surrounding area**
- Preliminary engineering report**
- Preliminary architectural report**
- Other \_\_\_\_\_**

Please provide written comments and/or recommendations for any mitigation measures by \_\_\_\_\_, (*Insert date – allow sufficient time, 30 days from receipt of the information is encouraged, longer if project is complex. Allow at least 5 days for receipt of information.*)

Should any significant changes be proposed to the location and/or scope of the proposed project, you will be notified in writing prior to the initiation of any construction activities for the opportunity to review and comment. Please contact me at (***Telephone Number***) or by e-mail at (***E-mail Address***) if you have any questions or require additional information. Thank you for your assistance.

Sincerely,

***Your Name/Title/Agency***

## SAMPLE COVER LETTER TO STATE HISTORIC PRESERVATION OFFICE

Missouri State Historic Preservation Office  
Attention: Review and Compliance  
P.O. Box 176  
Jefferson City, Missouri 65102

<Date>

Re: <Rehabilitation/Demolition/etc.> at <Address, City, County, State, Zip code>, <Federal Funding Agency>

Dear Compliance Officer:

Enclosed please find a request for review pursuant to Section 106 of the National Historic Preservation Act of 1966, as amended. Per your requirements, we have included the following information:

- Section 106 Project Information Form
- Topographic and/or city map that clearly marks the project area and defines the area of potential effects
- A topographic and current aerial map marking the exact location of borrow material where applicable
- Photographs of the project area that are not photocopied, are at least 3 x 5 inches, and clearly show the primary façade of the buildings and streetscape showing buildings along the project corridor. For your convenience, these have been provided in color.
- Additional documentation (e.g. scope of work, bid, construction plans, site plans) to describe in detail the undertaking

**Check one of the following:**

Our office has reviewed the property and finds that it is not listed in the National Register of Historic Places and does not appear to meet National Register criteria of eligibility. Therefore, we have determined that no historic properties will be affected by this undertaking. We request your concurrence.

**OR**

Our office has reviewed the property and finds that it is listed in the National Register of Historic Places <individually or as a contributing building in a historic district> under <provide property or district name> or <that it does appear to meet the criteria for listing>. We have applied the criteria of adverse effect and find that the proposed undertaking will have <no adverse effect or an adverse effect> on historic properties. We request your concurrence.

I am aware that your office has 30 days upon receipt of adequate information to review and comment on the impact of this undertaking. I am also aware that if the initial Section 106 submission is not sufficient and you must request additional information, another 30-day review by your office will begin upon receipt of the additional information.

Should you need additional information, please do not hesitate to contact <name, phone number, and email (where applicable)>.

Sincerely,

<Name>

<Title>

Encl.

C: Jo Ann Dent, Missouri Department of Economic Development/State CDBG Program

## CONSULTING WITH INDIAN TRIBES DURING THE SECTION 106 REVIEW PROCESS

CDBG grantees and applicants must make a reasonable and good faith effort to identify and contact Indian tribes, and document their efforts as part of the Section 106 Process. Tribes should be provided a draft scope of the project during the planning stages, including the area of potential effect. CDBG grantees and applicants should ensure that the consultation under the Section 106 review process is respectful of tribal sovereignty.

It is important that contact with tribes is done in a manner that recognizes and is sensitive to tribal preservation interests. Contact and consultation done without thoughtful regard to tribal interests and sensitivity to tribal sovereignty could result in mistrust and miscommunication, resulting in a prolonged review.

There are no federally-recognized Indian reservations in the State of Missouri. However, consultation is required for *off tribal lands* because the National Historic Preservation Act (NHPA) does not restrict tribal consultation to federally-recognized tribal lands alone. Off tribal lands may be the ancestral homelands of an Indian tribe or tribes, and so may contain historic properties of religious and cultural significance.

The Tribal Historic Preservation Officers, or THPO, is the counterpart to the State Historic Preservation Officers (SHPO). There are currently no THPOs in the State of Missouri. In this case, a tribe designates who will represent it in consultation regarding historic properties of religious and historic significance for proposed undertakings *off tribal lands*. A tribe that does not have a THPO has the same right to be a consulting party as tribes that do have THPOs when the proposed federal undertaking is not on or affecting tribal lands.

Grantees and applicants will consult the following website containing HUD's Tribal Directory which identifies Indian tribes and provides appropriate tribal contact information to assist with initiating Section 106 consultation. The website provides State reports that link tribes to their counties of interest in a particular state. Consult the database each time a Section 106 Review is initiated as information in the directory is subject to periodic change. [http://www.hud.gov/offices/cpd/environment/tribal/mo/County\\_MO.pdf](http://www.hud.gov/offices/cpd/environment/tribal/mo/County_MO.pdf) - **HUD Tribal Directory**

Consultation with Indian tribes should be initiated by the agency official through a letter to the leadership of each tribe. An agency official, for the purposes of the Missouri CDBG grantees and applicants, is the person who has jurisdiction over the undertaking and takes legal responsibility for Section 106 compliance. This includes County Presiding Commissioners, City Mayors, and Village Chairpersons. Others (i.e. regional planning commissions, regional councils of governments, private grant consultants, local government staff persons, etc.) may assist local agency officials in preparing letters to tribes and in carrying out consultations, but must not sign letters or attempt to carry out tribal consultation on their own. The agency official should provide Indian tribes the same information that is provided to the SHPO, including land, buildings, and structures that may be affected by proposed project undertakings.

The agency official should **allow no less than 30 days for response** by a tribe or tribes upon receipt of project information. It is suggested to begin the 30-day response period no less than 5 days after the day information is mailed. It is highly encouraged that agency officials send letters via certified mail to ensure a tribe's receipt of the information. If a tribe has not responded within the designated time frame indicated in the agency official's initial letter, it may be assumed that the tribe has no comment about the proposed project undertakings.

However, a best practice procedure is to submit the tribe a second letter allowing at least 14 additional days as a second opportunity to comment and participate. Again, it is recommended to allow no less than 5 days for receipt of information by tribes. Sample letters to tribes follow as additional guidance. If any Indian tribe responds with concerns, recommendations and/or mitigation measures, contact the SHPO and/or CDBG for guidance and consult in cooperation with the Indian tribe(s).

**\*\* For assistance, contact:**

**MO State Historic Preservation Office (SHPO) Section 106 Staff at (573)751-7858, or,  
CDBG at (573)751-3600**

## (SAMPLE COVER LETTER TO INDIAN TRIBES)

*Change the wording of this cover letter to reflect your particular proposed project. This sample cover letter provides suggestions for the use of appropriate language as well as suggesting the type and nature of project information that should be sent to Indian tribes for their review. Contact CDBG if you have questions or would like someone to review your letter prior to submission to tribes. CAREFULLY PROOFREAD ALL LETTERS!*

### REQUEST FOR PROPOSED PROJECT REVIEW

(DATE)

*Title of Official Tribal Representative (Titles differ – ensure use of the appropriate title) & Name*

*Tribal Name \_\_\_\_\_*

*Address \_\_\_\_\_*

*Address \_\_\_\_\_*

RE: (Grantee/applicant & Descriptive name of project)

Dear (Title of Official Tribal Representative and Name),

The (County/City/Village) is interested in submitting an application to the Missouri Department of Economic Development (MO DED) requesting Community Development Block Grant funds (CDBG) to assist with our proposed project. CDBG funds are granted to the MO DED by the US Department of Housing and Urban Development (HUD). An environmental review is required pursuant to the National Environmental Policy Act (NEPA) and HUD's environmental regulation, 24 CFR Part 58. The (County/City/Village) requests your review of this proposed project to identify whether sites exist that have religious and cultural significance to the (Name of Tribe) and to determine if project undertakings have the potential to adversely impact any identified sites.

The purpose and need of the project is to (*Provide an explanation as to why this proposed project is needed, the objectives it will fulfill, and who would benefit.*)

The project as proposed consists of (*Detailed description of project including all activities proposed by all funding sources – refer to the engineering/architectural report and funding application – all project descriptions should remain the same on all project documents.*)

**Enclosed you will find the following items:**

- Topographic map with project site clearly identified
- Aerial map
- Color photographs of the site and surrounding area
- Preliminary engineering report
- Preliminary architectural report
- Other \_\_\_\_\_

Please provide written comments by \_\_\_\_\_, (*Insert date – allow no less than 30 days from receipt of the information – allow 5 days for receipt of information. Provide a longer review and response time if the project is complex.*) to the following:

*Local Government Agency Official – Presiding Commissioner, Mayor or Village Chairperson and Name*

*Address*

*City, State, Zip*

If you require more time for review of this project, or if you have questions or would like more information, please contact me at the address above, or by telephone at (*Telephone Number*), or by e-mail at (*E-mail Address*). Should any significant changes be proposed to the location and/or scope of the proposed project, you will be notified in writing prior to the initiation of any construction activities for the opportunity to review and comment on any such changes. Thank you for your interest and assistance.

Sincerely,

*Name/Title - Presiding Commissioner, Mayor, or Village Chairperson*

## (SAMPLE FOLLOW-UP LETTER TO INDIAN TRIBES)

*This is a sample FOLLOW-UP letter to Indian tribes who have not responded during the initial comment period suggested. Change the wording of the letter to reflect your particular proposed project. The sample letter provides suggestions for the use of appropriate language as well as suggesting the type and nature of project information that should be sent to Indian tribes for their review. Contact CDBG if you have questions or would like someone to review your letter prior to submission to tribes. CAREFULLY PROOFREAD ALL LETTERS!*

### 2<sup>ND</sup> REQUEST FOR PROPOSED PROJECT REVIEW

(DATE)

*Title of Official Tribal Representative (Titles differ – ensure use of the appropriate title) & Name*

*Tribal Name \_\_\_\_\_*

*Address \_\_\_\_\_*

*Address \_\_\_\_\_*

RE: *(Grantee/applicant & Descriptive name of proposed project)*

Dear *(Title of Official Tribal Representative and Name) \_\_\_\_\_,*

The *(County/City/Village)* of \_\_\_\_\_ requested your review and comment of the above-mentioned proposed project in a letter dated *(Date of initial letter to tribe)*. As I have not received a response in the time period suggested in my initial letter, I am notifying you again to ensure you are afforded adequate opportunity to review the proposed project and provide comments.

As indicated in my earlier letter, the *(County/City/Village)* is interested in submitting an application to the Missouri Department of Economic Development for CDBG funding to assist with our proposed project. An environmental review is required pursuant to the National Environmental Policy Act (NEPA) and the US Department of Housing and Urban Development's (HUD) environmental regulation, 24 CFR Part 58. The *(County/City/Village)* requests your review of this proposed project to identify whether sites exist that have religious and cultural significance to the *(Name of Tribe)* and to determine if project undertakings have the potential to adversely impact any identified sites.

The proposed project is located at *(Include detailed address, coordinates, boundaries, city, county, etc.)*

The purpose and need of the project is to *(Provide an explanation as to why this proposed project is needed, the objectives it will fulfill, and who would benefit.)*

The project as proposed consists of *(Detailed description of project including all activities proposed by all funding sources – refer to the engineering/architectural report and funding application – all project descriptions should remain the same on all project documents. You do not have to re-submit the engineering/architectural report and color photos.).* Alternatives that have been considered include *(Explain all alternative actions and sites proposed – refer to the engineering/architectural report.)* The preferred alternative was chosen because *(Indicate why the preferred alternative was chosen as the best to fulfill project objectives and minimize or eliminate any environmental impacts.)*

Please provide written comments by \_\_\_\_\_, *(Insert date – allow no less than 14 days for response upon receipt of the information – allow 5 days for receipt of information.)* to the following:

*Local Government Agency Official – Presiding Commissioner, Mayor or Village Chairperson and Name*

*Address*

*City, State, Zip*

If we do not receive a response by the date indicated above, it will be assumed that you have no concerns with our undertaking the project as proposed. Should any significant changes be proposed to the location and/or scope of the proposed project, you will be notified in writing prior to the initiation of any construction activities for the opportunity to review and comment on any such changes. If you have questions or would like more information, please contact me at the address above, or by telephone at *(Telephone Number)*, or by e-mail at *(E-mail Address)*. Thank you for your interest and assistance.

Sincerely,

*Name/Title - Presiding Commissioner, Mayor, or Village Chairperson*

## CDBG ENVIRONMENTAL IMPACT CHECKLIST

**(For Review of Other Agency Environmental Reports, Assessments & Reviews)**

**Date of Report/Assessment:** \_\_\_\_\_ **Type of Project:** \_\_\_\_\_

**Other Entity/Agency:** \_\_\_\_\_

**Preparer Name/Agency:** \_\_\_\_\_

**CDBG Applicant/Grantee:** \_\_\_\_\_ **CDBG Project # (if funded):** \_\_\_\_\_

**Level of Review:**  **Categorically Excluded**  **Environmental Assessment**

<input type="checkbox"/> Project Location	<input type="checkbox"/> Estimated Project Costs All Sources
<input type="checkbox"/> Conditions of Environmental Approval	<input type="checkbox"/> EA Finding: <input type="checkbox"/> FONSI <input type="checkbox"/> FONSI w/Conditions <input type="checkbox"/> FOSI
<input type="checkbox"/> Preliminary Engineering/Architectural Report	<input type="checkbox"/> Examination of Alternatives
<input type="checkbox"/> Signature of Certifying Officer <i>Mayor/Chair/Presiding Commissioner</i>	<input type="checkbox"/> Signature of Environmental Preparer
<input type="checkbox"/> Purpose and Need of Project	<input type="checkbox"/> Description of Project
<input type="checkbox"/> Existing Conditions & Trends	<input type="checkbox"/> Citizen Participation
<input type="checkbox"/> Historic Properties (SHPO & Tribal Contacts)	<input type="checkbox"/> Water Quality
<input type="checkbox"/> Floodplain Management	<input type="checkbox"/> Air Quality
<input type="checkbox"/> HUD 8- Step Process for Floodplains & Wetlands	<input type="checkbox"/> Contamination & Toxic Materials
<input type="checkbox"/> Flood Insurance (NFIP)	<input type="checkbox"/> Environmental Justice
<input type="checkbox"/> Wetlands Protection	<input type="checkbox"/> Land Development
<input type="checkbox"/> Coastal Zones	<input type="checkbox"/> Community Facilities & Services
<input type="checkbox"/> Airport Hazards	<input type="checkbox"/> Wastewater
<input type="checkbox"/> Endangered Species: <input type="checkbox"/> Federal <input type="checkbox"/> State	<input type="checkbox"/> Solid Waste
<input type="checkbox"/> Wild & Scenic Rivers <input type="checkbox"/> Federal <input type="checkbox"/> State	<input type="checkbox"/> Storm Water Drainage
<input type="checkbox"/> Farmland Protection	<input type="checkbox"/> Lead Based Paint
<input type="checkbox"/> Noise Control	<input type="checkbox"/> Asbestos
<input type="checkbox"/> Explosives & Flammable Operations	<input type="checkbox"/> Radon
<input type="checkbox"/> Energy	<input type="checkbox"/> Permitting
<input type="checkbox"/> Documented Site Visit	<input type="checkbox"/> Other:
<input type="checkbox"/> Project Mitigation/Modifications	<input type="checkbox"/> Determination of Level of Environmental Review Form
<input type="checkbox"/> Environmental Review Summary	<input type="checkbox"/> Finding of Exemption Form

**Comments/Notes:**

## **ENVIRONMENTAL ASSESSMENT (EA)/STATUTORY CHECKLIST REVIEW**

- Documents written for a “cold reader” – someone who has no knowledge of the project.
- For consistency, cross check w/ other project documents (engineering/architectural reports, CDBG & other funding applications, CDBG Funding Approval if funded, environmental studies/reports, etc.)

**Cover Page:** Are all areas complete?

- Project Name (Should adequately reflect the project):
- CDBG Project # (CDBG project number will not be assigned if a proposed application):
- Responsible Entity(RE)/Grantee Location (County, City, or Village):
- RE Telephone Number:
- Certifying Officer Name/Title -Presiding Commissioner, Mayor, Chair, or other local official formally designated by resolution:
- If another agency official is designated provide a copy of the resolution.

**Project Location/Address:** Location varies depending upon project type—most logical should be provided:

- County: \_\_\_\_\_ City: \_\_\_\_\_ Street/Road Address: \_\_\_\_\_
- Coordinates: \_\_\_\_\_ Structure Name: \_\_\_\_\_ Boundaries: \_\_\_\_\_ Other: \_\_\_\_\_
- Cross check w/ other project documents – are they consistent?

**Total Project Costs:**

- All funding sources and amounts listed & totaled
- Cross check w/ other project documents – are they consistent?
  - CDBG \$ \_\_\_\_\_
  - Local Cash \$ \_\_\_\_\_
  - Private \$ \_\_\_\_\_
  - Other State \$ \_\_\_\_\_
  - Federal \$ \_\_\_\_\_
  - In-Kind \$ \_\_\_\_\_
  - Total \$ \_\_\_\_\_

**Name & Address of Sub-recipient, if applicable**-Non-profit, public water supply or sewer district, fire or ambulance district, library, downtown organization, etc. If no sub-recipient, N/A must be checked.

**Responsible Entity Project Contact Name, Address, Telephone:**

**Conditions for Approval** - Assess after reviewing document to ensure conditions listed are complete and accurate. List out Conditions that were identified throughout the ERR.

**Finding (only for EA):** \_\_\_\_\_ FONSI \_\_\_\_\_ FONSI w/ Conditions for Approval \_\_\_\_\_ FOSI

**Preparer:** \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_ Name/Title \_\_\_\_\_ Agency

**Certifying Officer:** \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_ Name/Title

**Preliminary Design:** PER/PAR submitted. Date: \_\_\_\_\_ Name of firm: \_\_\_\_\_

**Purpose & Need of Project** (Why project needed – what needs the project will address, not the project description):

**Description of Project** (All proposed activities & actions by all funding sources; includes in-kind. Cross check with all other documents available):

**Existing Conditions & Trends** – (1) How project & surrounding areas appear now; (2) Future plans for project & surrounding areas. Are proposed uses compatible? How project area would appear or remain if project did not happen:

**Examination of Project Alternatives (EA only):** All alternatives considered, including no project. N/A is unacceptable.

- Citizen Participation(EA only):** Public notification of project for opportunity to comment. Mirrors Environmental Justice section. Examples: public notices & hearings, newspaper/newsletter articles, environmental notices, etc. Minutes should reflect precisely how project was explained to public.
- Summary of Environmental Review:** Snapshot of entire review. Project impacts must be rated. Form must be fully completed - 2 pages for EA, 1 page for Statutory Checklist.
- Historic Properties:**
  - Cover letter to SHPO
  - SHPO Section 106 Project Information Form
  - Attachments to Section 106 Form
  - SHPO response letter(s) – SHPO always responds in writing
  - Letter(s) to tribes
  - Tribal response letter(s) – may not respond
  - Cultural Resource Survey, if applicable
  - Memorandum of Agreement, if applicable (Letters to ACHP & Tribes)
  - SHPO/ACHP/Tribal approval of MOA stipulations, if applicable
  - **Conditions for Approval Identified:**
- Floodplain Management:**
  - FEMA Flood Insurance Rate Map (FIRM) map or FEMA Firmette Map w/ project keyed
  - If unmapped, other appropriate mapping documentation
  - If not in floodplain, no more required. EA/Statutory Checklist form must be complete. N/A at top of HUD 8-Step Process page should be checked.
  - If in floodplain, HUD 8-Step Process is required. Engineer/architect is resource for help.
  - **Conditions for Approval Identified:**
- Flood Insurance** Particularly relevant if project lies in floodplain. RE must be member in good standing with NFIP if project is in floodplain. If not in floodplain, documentation should be attached for consistency.
  - Page(s) from FEMA Community Status Book for NFIP status
  - **Conditions for Approval Identified:**
- Wetland Protection** (If project is in a wetland, HUD 8-Step Process applies.)
  - Color US Fish & Wildlife (USFWS) National Wetlands Inventory (NWI) Map
  - Letter & attachments to USFWS
  - US Fish & Wildlife response
  - Letter & attachments to US Army Corps of Engineers (USACE)
  - USACE response
  - Permitting requirements, as applicable
  - Other:
  - **Conditions for Approval Identified:**
- HUD 8 Step Decision Making Process**
  - Early Public Notice (EPN) & affidavit or actual newspaper page
  - Proof EPN & cover letter sent to environmental agencies-certified mail or stamped addressed envelopes
  - Notice of Explanation (NOE) & affidavit (or actual newspaper page)
  - Proof NOE & cover letter sent to environmental agencies-certified mail or stamped addressed envelopes
  - **Conditions for Approval Identified:**
- Coastal Zone Management** - No coastal zones in MO – documentation from website attached
- Airport Hazards** - Protection of project & project beneficiaries from airport accident potential zones.
  - Maps indicating nearest airports in relation to the project area
  - If project proposed w/in thresholds of airport accident areas, HUD process that must be completed
  - **Conditions for Approval Identified:**
- Endangered Species** - Includes threatened and endangered plants and animals, and their habitat
  - Letter & attachments to USFWS for Federally designated species
  - Response from USFWS

- Letter & attachments to MO Dept of Conservation (MDC) for State designated species
- Response from MDC
- Conditions by agencies, as applicable
- **Conditions for Approval Identified:**

- Wild & Scenic Rivers**-Project impacts to designated rivers & river segments; impacts to project from rivers/segments
  - Federally designated river-Eleven Point only. Website documentation & map river in relation to project
  - State designated river segments by county. Segments listed in project county mapped in relation to project site
  - If Eleven Point River and/or state river segments exist on or close to project site, USFWS and/or National Park Service must be contacted. Attach all correspondence & documentation.
  - **Conditions for Approval Identified:**
- Farmland Protection** - Does project convert prime or unique farmland to other uses
  - Color aerial photograph of project area and surrounding area
  - Letter & attachments to USDA Natural Resources Conservation Services (NRCS), including Farmland Conversion Impact Rating Form AD 1006
  - All correspondence from USDA NRCS
  - Mitigation measures recommended
  - Other:
  - **Conditions for Approval Identified:**
- Noise Control**-Noise from project, noise around project, construction noise, how project contributes to existing community noise levels.
  - Color aerial photograph
  - Color photos of project site & surrounding area
  - Color maps showing project in relation to noise sources or sensitive noise uses
  - Field visit checklist or other form of documented site visit
  - Noise Assessment, if applicable
  - Noise attenuation measures, as appropriate
  - **Conditions for Approval Identified:**
- Explosive & Flammable Operations** – Hazards by the project, project subjected to nearby hazards
  - Field visit checklist or other form of documented site visit
  - Color photographs of project site & adjacent sites
  - Statement from fire department/fire marshal
  - Statement from local emergency management agency/individual
  - HUD Acceptable Separation Distance calculations, if applicable
  - Mitigation measures, if applicable
  - **Conditions for Approval Identified:**
- Water Quality**-Adequate supply to serve project, impacts to water bodies, impacts to project by water bodies, wells
  - Most current water quality report and/or inspection
  - For water projects, plans & specs/preliminary engineering report must be attached & briefly explained
  - Statement from water supply source and/or public works department
  - Color map showing any water bodies in relation to project
  - Sole Source Aquifer documentation from website (MO has none)
  - If project involves using, drilling, or abandoning a well, all related documentation
  - MO DNR correspondence and/or documentation
  - Other:
  - **Conditions for Approval Identified:**
- Air Quality**(Air emissions from project or project subjected to air emissions)
  - EPA designated non-attainment areas from EPA website
  - EPA/DNR air permits or permitting requirements
  - Conformance with local air codes, ordinances, & standards by finished project & construction activities
  - Documentation whether project will begin a trend of poor air quality standards
  - Odors and fumes from project or impacting project
  - Radon test and results and mitigation, if applicable (applies only to buildings)
  - Mold inspection and report and mitigation, if applicable (applies only to buildings)

- Asbestos -Under Air Quality in Statutory Checklist. EA has an Asbestos Section. Includes inspections, sampling, testing, reports, mitigation, water/sewer pipes, boiler/plumbing wrap, interior/exterior buildings, bridges, etc.

— **Conditions for Approval Identified:**

**Contamination & Toxic Substances** (Contamination by the project or impacts to the project)

- Previous uses of site(s)
- Contamination to/of:     Groundwater     Air     Soil
- ASTM 1527-05 E Phase I Environmental Site Assessment (ESA), if applicable
- ASTM Phase II ESA, if applicable
- Remediation, if applicable

— **Conditions for Approval Identified:**

**Environmental Justice** - Last section for Statutory Checklist. Disproportionately high adverse impacts to low income & minority persons

- Planning and zoning information, if available
- Public involvement in the project (should coincide with Citizen Participation in an EA)
- Map or other documentation to show if project occurs on or near low income or minority neighborhood
- Positive and negative impacts to people by the project

— **Conditions for Approval Identified:**

\* **Remaining areas applicable to the Environmental Assessment ONLY:**

**Land Development**

- Existing land uses on and around project site
- Future land uses on and around project site
- Whether project will contribute to urban sprawl
- Whether project will increase or decrease employment opportunities
- Whether project will displace a business from a central business district
- Whether project will alter demographic characteristics
- Existing erosion or sedimentation (best if confirmed by an engineer or public works director)
- How erosion will be controlled and minimized
- Erosion control plan, if applicable
- Soil concerns related to use for project
- Geotechnical Report, soil borings, soil reports, if applicable
- Will project displace anyone? If so, all documentation regarding the Uniform Relocation Act.

— **Conditions for Approval Identified:**

**Community Facilities & Services** (Project impacts on services; services on project. See top of page for areas that require addressing.)

- Emergency & Non-emergency
- Health Care Services:     Public Safety Police/Sheriff Services     Fire Protection Services
- Parks, Playgrounds & Open Spaces
- Pedestrian & Bike Paths/Trails
- Streets/Roads, Parking Areas/Facilities & Traffic Control Measures
- Public Transportation (taxi cabs, bus, OATS, train, etc.)

— **Conditions for Approval Identified:**

**Wastewater**

- Existing or planned wastewater system adequate to service project, including permits
- If a wastewater project, plans and specs/preliminary engineering report should be attached and briefly explained
- On-site sewage systems suitability
- Other:

— **Conditions for Approval Identified:**

**Solid Waste**

- Existing solid waste disposal adequate to service project
- Waste associated with project demolition/construction
- Permitting, if applicable
- Cost for disposal services
- Name and location of servicing landfill
- Landfills near project site with potential for adverse impacts

— **Conditions for Approval Identified:**

**Storm Water Drainage**

- Whether adequate storm water drainage system exists or is planned to service project
- If no drainage system, if and/or how will project promote run-off and how this will be addressed
- For drainage system projects, plans and specs/preliminary engineering report should be attached and briefly explained
- NPDES community – page from website should be attached
- NPDES permitting/storm water prevention plan, as applicable

— **Conditions for Approval Identified:**

**Lead Based Paint**

- Rehab to structures built prior to 1978
- If YES, children under 6 to reside over 100 days or spend over 10 hours/week in project structure
- If YES, field observation, inspection reports
- Mitigation measures, if applicable
- Other:

— **Conditions for Approval Identified:**

**Asbestos**

- Indicate whether the project involves demo and/or rehab of residential and/or commercial structures
- If YES, asbestos inspection, sampling, testing, DNR notifications, and abatement documentation required
- Mitigation measures and all related documentation, as applicable

— **Conditions for Approval Identified:**

**Energy Consumption** (strongly recommended, not required at this point)

- Alternative or renewable energy sources used for or by project
- Structure Energy Star Qualified
- Energy-efficient materials and/or construction methods used
- Are energy-efficient materials and/or construction methods feasible, why or why not?
- Weatherization techniques

— **Conditions for Approval Identified:**



**Community Development Block Grant**

301 W. High Street, Room 770  
PO Box 118  
Jefferson City, MO 65102

## **2011 STATUTORY CHECKLIST**

**FINDING OF CATEGORICAL EXCLUSION [58.35(a)]**

**For State of Missouri CDBG-funded Projects**

<b>PROJECT NAME</b>	<b>CDBG PROJECT # (IF FUNDED)</b>
<b>RESPONSIBLE ENTITY/GRAANTEE LOCATION [24 CFR 58.2(A)(7)(II)]</b>	<b>RE TELEPHONE NUMBER</b>
<b>CERTIFYING OFFICER NAME &amp; TITLE [24 CFR 58.2(A)(2)]</b>	

MO 419-2875 (06-11)

<b><u>CDBG STATUTORY CHECKLIST</u></b>	
<b>PROJECT LOCATION/ADDRESS</b>	
<b>ESTIMATED PROJECT COSTS - ALL SOURCES &amp; AMOUNTS</b>	
<b>Total Project Cost:</b>	
<b>CDBG Funds:</b>	<b>Other State Funds:</b>
<b>Local Cash Contribution:</b>	<b>Federal Funds:</b>
<b>Private Contribution:</b>	<b>In-Kind Contribution:</b>
<b>RESPONSIBLE ENTITY <u>PROJECT CONTACT</u> NAME, ADDRESS, PHONE</b>	
<b>NAME OF GRANT <u>SUB-RECIPIENT, IF APPLICABLE</u> <input type="checkbox"/> N/A</b>	
<b>SUB-RECIPIENT <u>CONTACT PERSON</u> NAME, ADDRESS, PHONE <input type="checkbox"/> N/A</b>	
<b>CONDITIONS FOR APPROVAL</b> [24 CFR 58.40(d), 40 CFR 1505.2(c) and 40 CFR 1508.20] - <i>As appropriate:</i> (List all mitigation and project modification measures adopted by the Responsible Entity to eliminate or minimize adverse environmental impacts. These conditions must be included in project contracts and all relevant agreement documents.) <u>Attach additional pages as necessary.</u>	

**CDBG STATUTORY CHECKLIST**

In my capacity as *Preparer* of the Statutory Checklist as designated by the Responsible Entity, I hereby attest that the Statutory Checklist document is true and complete to the best of my knowledge.

**PREPARER SIGNATURE**

**DATE**

**PREPARER NAME & TITLE**

**PREPARER'S AGENCY (IF DIFFERENT FROM RE)**

In my capacity as *Certifying Officer* on behalf of the *Responsible Entity* and in conformance with 24 CFR Part 58, I have reviewed the attached CDBG Statutory Checklist prepared by the above-designated individual. I have independently evaluated the information contained within the Statutory Checklist, supplemented the information where appropriate, and on behalf of the Responsible Entity, assume responsibility for the accuracy of the information contained herein. I hereby certify the approval of the Statutory Checklist document:

**RE APPROVING OFFICIAL SIGNATURE**

**DATE**

**RE APPROVING OFFICIAL NAME & TITLE**

### **CDBG STATUTORY CHECKLIST**

- **Does this project require a Tiered Reviewed approach? [24 CFR §58.15]**       Yes     No
- **Is this a multi-year/phased project? [24 CFR §58.32(d)]**       Yes     No

**Preliminary Project Design:** Check the appropriate box or boxes and attach.

- PER:** Date \_\_\_\_\_ Firm \_\_\_\_\_  
 Addendums: # of Addendums to date? \_\_\_\_\_
- PAR:** Date \_\_\_\_\_ Firm \_\_\_\_\_  
 Addendums: # of Addendums to date? \_\_\_\_\_

**Purpose and Need of the Project:** [“Statement of Purpose and Need of the Proposal” – 40 CFR 1508.9(b)] Explain why the project is needed and attach additional pages as necessary.

**Description of the Project:** [24 CFR 58.32, 40 CFR 1508.25] Explain all activities proposed by all funding sources as part of the project. Attach additional descriptive information, including scaled location map, U.S.G.S. topographic map, aerial photograph, site plans, renderings, photographs, budgets, etc. Attach additional pages as necessary.

**Existing Conditions and Trends:** [24 CFR 58.40(a)] Describe existing conditions of the project area and its surroundings, and the trends likely to continue in absence of the project.

**STATUTORY CHECKLIST**  
**SUMMARY OF ENVIRONMENTAL REVIEW**

**Impact Codes:** 1=No impact anticipated 2=Potentially beneficial 3=Potentially adverse 4=Requires Mitigation 5=Requires project modification

Environmental Impact	Code	List Source Documentation
Historic Properties (SHPO & Tribal contacts)		
Floodplain Management		
Flood Insurance		
Wetlands Protection		
Airport Hazards		
Endangered Species		
Wild & Scenic Rivers		
Coastal Zones		
Farmland Protection		
Noise Control		
Explosive/Flammable Operations		
Water Quality		
Air Quality		
Contamination/Toxic Materials		
Environmental Justice		
Other:		

<b><u>STATUTORY CHECKLIST</u></b>		
<b><u>HISTORIC PROPERTIES</u></b>		
<b>(Historic Preservation Act 16 U.S.C. 470 &amp; 36 CFR Part 800)</b>		
<b>Section 106 Project Information Form</b> - <a href="http://www.dnr.mo.gov/forms/780-1027-f.pdf">http://www.dnr.mo.gov/forms/780-1027-f.pdf</a> <b>MO SHPO</b> - <a href="http://www.dnr.mo.gov/shpo/sectionrev.htm">http://www.dnr.mo.gov/shpo/sectionrev.htm</a>		
1.	Is any property in the project listed or eligible for listing on the National Register of Historic Places? ( <i>Print information from websites and attach</i> )	
	<input type="checkbox"/> YES <input type="checkbox"/> NO <a href="http://www.nps.gov/history/nhl/designations/Lists/MO01.pdf">http://www.nps.gov/history/nhl/designations/Lists/MO01.pdf</a> - National Historic Landmarks <a href="http://www.dnr.mo.gov/shpo/MNRLList.htm">http://www.dnr.mo.gov/shpo/MNRLList.htm</a> - SHPO National Register Listings by County	
2.	To your knowledge, is any property in the project located within or directly adjacent to a historic property?	
3.	If a tiered review, has the SHPO been notified that site-specific reviews will be completed as activities & properties are known? <input type="checkbox"/> N/A	
4.	Is fill material or borrow required for the project? If Yes, was the location of the fill or borrow reviewed by the SHPO?	
5.	Has the RE provided adequate public involvement for identification of and project impacts to historic properties consistent with 36 CFR Part 800.2(d)?	
<b>Check all that apply and attach:</b> <input type="checkbox"/> Public Notices <input type="checkbox"/> Public Hearing Minutes <input type="checkbox"/> Direct Mail <input type="checkbox"/> Newspapers/Newsletters <input type="checkbox"/> Postings (Websites, High Traffic Buildings, etc.)		
6.	Do any Indian tribes have an interest in the project or undertaking?	
	<input type="checkbox"/> YES <input type="checkbox"/> NO <a href="http://www.hud.gov/offices/cpd/environment/tribal/mo/County_MO.pdf">http://www.hud.gov/offices/cpd/environment/tribal/mo/County_MO.pdf</a> HUD Tribal Directory Attach HUD Tribal Directory, and all correspondence, as applicable.	
7.	Is a cultural resource survey required as part of the Section 106 Review?	
	If YES, attach and indicate the type required and date accepted below: <input type="checkbox"/> Architectural Survey Completed – Date of SHPO acceptance letter: _____ <input type="checkbox"/> Archaeological Survey Completed – Date of SHPO acceptance letter: _____	
8.	<b>SHPO Project Number Assigned:</b> _____	
9.	<b>Result of Section 106 Review:</b> Attach Section 106 form, including attachments <input type="checkbox"/> No Historic Properties Affected - Date of SHPO Letter(s): _____ <input type="checkbox"/> No Adverse Affect – Date of SHPO Letter(s): _____ <input type="checkbox"/> No Adverse Effect With Conditions - Date of SHPO Letter(s): _____ Date of SHPO acceptance letter: _____ <input type="checkbox"/> Adverse Affect – Date of SHPO Letter(s): _____ <i>(Project either rejected or requires Memorandum of Agreement (MOA) with SHPO)</i>	
10.	<b>MOA</b> (Attach SHPO acceptance once received and final copy of MOA) <input type="checkbox"/> N/A – MOA Not Required <b>Check all that apply:</b>	
	<input type="checkbox"/> ACHP notified ( <i>Must be contacted prior to executing MOA</i> ) <input type="checkbox"/> ACHP chooses to participate in the MOA <input type="checkbox"/> ACHP does not choose to participate in the MOA <input type="checkbox"/> Indian Tribes Notified - <input type="checkbox"/> N/A – No Tribes identified with interest in the project county <input type="checkbox"/> One or more Tribes choose to participate in the MOA <input type="checkbox"/> No Tribal participation <input type="checkbox"/> All stipulations may be completed and approved by SHPO prior to beginning any physical project activities <input type="checkbox"/> Activities may begin, but all stipulations must be approved by SHPO prior to project close out <input type="checkbox"/> MOA Stipulations Complete and Accepted by the SHPO – Date of SHPO letter: _____	
11.	<b>Has compliance with Section 106 been met?</b> <input type="checkbox"/> YES <input type="checkbox"/> NO If NO, explain why:	

## **STATUTORY CHECKLIST**

### **FLOODPLAIN MANAGEMENT**

(E.O. 11988, 24 CFR Part 55)

1. Floodplain Management applies to projects involving ANY of the following - check all that apply:
  - Acquisition of land (including easements) or buildings
  - New Construction
  - Substantial Rehabilitation (i.e., modifications and improvements to buildings where rehabilitation costs exceed 50% of pre-rehabilitation value of building or where residential density increases more than 20%)
  - Expanding/altering the footprint of buildings or structures
  - Infrastructure Improvements – Water, Sewer, Drainage, Roads, Bridges, and Ditches
  - Other activities affecting land use \_\_\_\_\_
2. Is the project located in a *100-year floodplain or designated floodway?*  YES  NO  
**Mark project area clearly on a FEMA map, if the area has been mapped by FEMA.**  
[\*\*FEMA Map Service Center\*\*](#) – Click to access map service center
- \***UNMAPPED AREAS:** Obtain the best information possible from one or more of the following qualified sources: (Check all sources used and attach all documentation received.)
  - [\*\*CARES Internet Mapper\*\*](#) – Click to access mapper
  - [\*\*FEMA Mapping Information Platform\*\*](#) – Click to access mapper
  - Project Engineer – Written explanation
  - Community Floodplain Administrator – Written statement
  - US Army Corps of Engineers - Correspondence
  - US Geological Survey Maps
  - USDA Natural Resources Conservation Service – Soil Maps
  - Regional Planning Commission/Regional Council of Government Mapping – Maps/Written statement
  - Local flood control or levee district – Map/Written statement
  - Other \_\_\_\_\_
3. Does the project involve a **Critical Action** (nursing home, hospital, data storage facility, etc)?  YES  NO  
**If YES,** is the project located in a 500-year floodplain?  YES  NO  
**If YES to #2 and/or #3, skip to #5. If NO to # 2 and #3, go on to #4.**
4. You have determined the project is NOT located in a floodplain. Document the determination by completing the following:  
**Source Documentation:** Attach FEMA Firmette Map or Flood Insurance Rate Map and mark the site of the project location on the map.  
**Community Name/Number:** \_\_\_\_\_  
**Map Panel and Date of Map Panel:** \_\_\_\_\_
5. You have determined your project IS located in a floodplain/wetland. The HUD 8-Step Decision Making Process is required. Complete and attach the 8-Step Decision Making form and all supporting documentation.  
\* Refer to the Preliminary Engineering/Architectural Report and/or consult with the engineer/architect for assistance. Consultation with environmental professionals may be appropriate.

## **STATUTORY CHECKLIST**

### **FLOOD INSURANCE**

#### **(The Flood Disaster Protection Act of 1973, 24 CFR 58.6)**

The threshold for flood insurance requirements is included in *The Flood Disaster Protection Act of 1973*, as amended, requiring property owners purchase flood insurance for buildings located within *Special Flood Hazard Areas (SFHA)* when Federal financial assistance is used to acquire, repair, improve, or construct a building. Owners of HUD-assisted properties located within Special Flood Hazard Areas (SFHA) must purchase and maintain flood insurance protection as a condition of approval of any HUD financial assistance for proposed property acquisition, rehabilitation, conversion, repair or construction. Compliance with mandatory flood insurance purchase does not constitute compliance with floodplain management requirements discussed under Floodplain Management of this document.

Information on the location of SFHA's is available on Flood Insurance Rate Maps (FIRM) published by the Federal Emergency Management Agency (FEMA).

1. Is any portion of the project in a SFHA as determined by a FEMA Flood Insurance Rate Map?  YES  NO
2. Does the Responsible Entity participate in the National Flood Insurance Program (NFIP)?  YES  NO  
*Access the following website, print the appropriate page and attach to document if the community is listed or not listed in the NFIP.*  
<http://www.fema.gov/cis/MO.pdf> -MO communities participating in the NFIP
3. Is the Responsible Entity in good standing with the National Flood Insurance Program?  YES  NO  
If the Responsible Entity is not in good standing with the NFIP or does not participate in the NFIP, and any portion of the project lies within a SFHA, flood insurance must be acquired, in addition to implementing project modifications and/or alternatives prior to the completion of any work, regardless of funding source, in order to comply with HUD and FEMA regulations and CDBG program requirements.  
CDBG Grant - Owners of buildings included in the project and located in a floodplain must maintain flood insurance for the life of the building regardless of transfer of ownership.  
CDBG Loan – Owners of buildings included in the project and located in floodplain must maintain flood insurance for the term of the loan, in the amount of the loan.  
**Copy of the owner's flood insurance policy must be attached as documentation if one or both of the above apply.**
4. Is the Responsible Entity in compliance with National Floodplain Insurance requirements?  YES  NO  
**If YES, attach a copy of the local jurisdiction's floodplain ordinance and permitting process that are required for participation in the NFIP.**

#### **MO State Emergency Management Agency (SEMA)**

2302 Militia Drive, PO Box 116

Jefferson City, MO 65102

573/526-9135 – Dale Schmutzler, Floodplain Management Officer, NFIP

[Dale.schmutzler@sema.dps.mo.gov](mailto:Dale.schmutzler@sema.dps.mo.gov)

<http://www.hud.gov/offices/cpd/environment/review/floodinsurance.cfm> -HUD Flood Insurance Information

<http://www.hud.gov/offices/cpd/environment/review/qa/floodinsurance.cfm>-Flood Insurance Q&A

[http://www.fema.gov/plan/prevent/floodplain/about\\_the\\_nfip.shtm](http://www.fema.gov/plan/prevent/floodplain/about_the_nfip.shtm) - FEMA NFIP

<http://www.floods.org/Certification/certlist.asp#MO> - MO List of Floodplain Managers (Subject to change)

#### **Additional Information/Explanations:**

**STATUTORY CHECKLIST**

**WETLANDS PROTECTION  
(E.O. 11990, 24 CFR Part 55)**

Executive Order 11990 requires all Federal agencies avoid impacts to wetlands, direct or indirect, by discouraging construction in wetlands whenever there is a practicable alternative.

1. Compliance with Wetlands Protection applies to Land Acquisition and/or Construction related to any of the following. Check all that apply to the project:
  - Buildings and structures
  - Roads
  - Sewer and water systems
  - Storm drains and ditches
  - Flood control systems
  - Dredging, filling, excavation (includes rehabilitation to existing buildings and structures)
  - Expansion or altering the footprint of buildings or structures
2. Attach a color wetlands map with the project site clearly marked. Acceptable mapping sites are listed below. Ensure the map is zoomed in close enough to exhibit details of the surrounding project area. **Maps listed are for preliminary screening purposes only.**  
<http://www.fws.gov/wetlands/Data/mapper.html> - FWS Wetlands Mapper (National Wetlands Inventory)  
<http://ims.missouri.edu/moims/step1.aoi/countylist.asp> - UMC CARES GIS and Internet Mapping
3. Are there drainage ways, streams, creeks or rivers on or near the project site?       YES     NO  
If yes, or the project is located in or near a wetlands, submit a cover letter with detailed project description, project location including township, range and section, clear and detailed map, and preferably color photographs of the area to:  

<b>U.S. Fish &amp; Wildlife Service</b> Columbia Ecological Services Field Charlie Scott, Field Supervisor 101 Park DeVille Drive, Suite A Columbia, MO 65203-0057 Phone-573/234-2132	<b>U.S. Army Corps of Engineers</b> Contact your regions District Office for potential Jurisdiction Determination at the following website: <a href="http://www.mvs.usace.army.mil/ConOps/permits/permits.html">http://www.mvs.usace.army.mil/ConOps/permits/permits.html</a>
--	--

If a wetlands delineation is needed, contact NRCS:  
Wetlands Delineation Contacts <http://www.mo.nrcc.usda.gov/contact/>
4. Is the project in a designated wetland, as indicated by qualified sources?       YES     NO  
\*\* If Yes, the HUD 8-Step Decision Making Process is required
5. **Permitting Requirements:** Does the project require Permitting by US ACE? If yes, attach       YES     NO all documentation.

**Check all source documentation applicable and attach: Maps must be in color.**

- Color FWS Map(s)
- Color maps from other qualified agencies. Specify: \_\_\_\_\_
- Consultation correspondence (letters, e-mails, faxes, documented phone calls)
- HUD 8-Step Decision Making Process documentation
- US Fish & Wildlife Service Clearance
- US Army Corps of Engineers Clearance
- Other qualified agency clearance(s): \_\_\_\_\_
- Permitting Information
- Other sources of documentation: \_\_\_\_\_

**Additional Information/Explanations:**

## **STATUTORY CHECKLIST**

**N/A**

### **HUD 8-STEP DECISION MAKING PROCESS**

(Decision Making Process Under E.O. 11988 and 24 CFR 55.20)  
*(Attach additional pages as necessary for any step in the process.)*

#### **STEP 1 – Determine if the proposed action/project is located in a 100-year floodplain/wetland or in a 500-year floodplain/wetland if project is considered a critical action.**

- Is the Project located in a FEMA-designated floodway or a 100 or 500-year floodplain?
- Floodway. STOP. Part 55 prohibits federal financial assistance for use in a floodway.** The only exceptions are functionally dependent uses such as a port facilities, floodwalls, bridges, levees, dams, etc.
- 100 year floodplain (Zone A or V)
- 500 year floodplain [Zone B or X (shaded)]

- Attach the FEMA Firmette Map or Flood Insurance Rate Map and complete the following:

**Community Name/Number:** \_\_\_\_\_

**Map Panel and Date of Map Panel:** \_\_\_\_\_

- Check here if the area has not been mapped by FEMA, and continue below.

*If the area has not been mapped by FEMA*, obtain and attach the best information available from one or more of the following accepted sources (check all sources used):

- Community Flood Administrator - <http://www.floods.org/Certification/certlist.asp#MO>
- US Army Corps of Engineers
- US Geological Survey Maps
- USDA Natural Resources Conservation Service Soils Map
- Regional Planning Commission/Regional Council of Governments Mapping
- Local flood control or levee district
- Other \_\_\_\_\_

- Is the HUD 8-Step being completed for  Floodplains and Wetlands  Floodplains  Wetlands

- What are the dimensions of the project area(s) located in the floodplain?

#### **STEP 2 – Involve the public in the decision-making process.**

##### **Publish the Early Public Notice**

The Early Public Notice is a notice of the proposal to consider an action in a floodplain/wetland. The notice must be published in a non-legal section of the newspaper of widest circulation. *A minimum 15-day comment period begins the day after publication.* Indicate if comments were received. If the RE receives any written comments, the RE must respond in writing, resolve any issues and provide copies to CDBG.

**Attach a copy of the notice, affidavit of publication and proof of distribution to this form.**

**Name of Newspaper:** \_\_\_\_\_

**Date of publication:** \_\_\_\_\_

**Were adverse comments in writing received:**

(If YES, attach all correspondence.)

YES       NO

## **STATUTORY CHECKLIST**

### **STEP 3 – Evaluate alternatives to locating the proposed action in a floodplain.**

Explain in detail each of the following to determine if the floodplain and/or wetland can be avoided:  
(Attach additional pages as necessary)

- a. Identify and explain if alternative sites suitable for the project exist outside the floodplain/wetland:  
*(Refer to the engineer/architect, or engineering/architectural report for alternatives. Other buildings and/or sites and No Action must be evaluated.)*
  
- b. Identify and explain if feasible alternative actions/methods may be used to fulfill the identical project objective: *(Can different or modified actions with less chance for impact be used to fulfill the same project?)*
  
- c. Is there a storm/flood-related outdoor emergency warning system/siren serving the area in which the project is proposed?  Yes  No  
If no, explain how project beneficiaries are notified of an emergency situation:
  
- d. Does an adequate evacuation plan exist, or will an evacuation plan be implemented by the facility and/or the community?  Yes  No  
If no, explain how the lack of an evacuation plain will impact project beneficiaries:
  
- e. Are ingress and egress at the project site above or outside of the floodplain?  Yes  No  
If no, explain how beneficiaries will be evacuated and how emergency response vehicles will access the site during flooding events:
  
- f. Is there at least one route/road to the project site above or outside the floodplain to allow access by emergency response vehicles?  Yes  No  
If no, explain how emergency response vehicles will access the site during flooding events:
  
- g. Identify and explain if threats to lives and property and/or adverse impacts to the floodplain/wetland *outweigh* benefits of the proposed project: *(Explain if impacts are too severe to human and natural environments to complete the project.)*

## **STATUTORY CHECKLIST**

### **STEP 4 – Identify indirect and direct impacts associated with occupying or modifying the floodplain/wetland.**

If the RE determines the only practicable alternative for the project/action is occupying or modifying the floodplain/wetland, then impacts to lives and properties and impacts to floodplains and/or wetlands must be identified. If the RE determines an alternative site for the project exists out of the floodplain/wetland, project activities may still have an impact on the nearby floodplain/wetland and must also be identified to determine ways to minimize harm.

**Explain in detail how the project/activity will affect the floodplain/wetland regarding the following types of impacts:**

Positive or beneficial impacts to the floodplain/wetland, both direct and indirect:

Negative or harmful impacts to the floodplain/wetland, both direct and indirect:

Concentrated impacts – at or near the floodplain/wetland:

Dispersed or remote impacts occurring distant from the floodplain/wetland:

Short-term impacts to the floodplain/wetland (temporary impacts occurring immediately after an action lasting a short while):

Long-term impacts to floodplain/wetland (impacts occurring during or after an action that persist for considerable time or indefinitely):

Explain if the project encourages development in the floodplain/wetland:

## **STATUTORY CHECKLIST**

### **STEP 5 – Identify mitigation measures to minimize impacts to and preserve benefits of the floodplain/wetland.**

*(Consult project engineer/architect and/or engineering/architectural report.)*

- a. Explain how actions will be designed and/or modified to minimize harm to, or within, the floodplain/wetland.

- b. Explain how actions will be designed and/or modified to restore and/or preserve as much of the natural and beneficial floodplain/wetland values as possible.

- c. Is there a local floodplain ordinance, including floodplain development permitting process?  Yes  No

If Yes, attach a copy of the local floodplain ordinance, floodplain permit *application* submitted to the local jurisdiction, and a copy of the floodplain development *permit* issued by the local jurisdiction.

- d. Is flood insurance required for the project?  Yes  No

If Yes, attach a copy of the flood insurance policy.

- e. Is future development restricted on the project site(s)?  Yes  No

If Yes, attach a copy of the property deed restriction.

## **STATUTORY CHECKLIST**

### **STEP 6 – Re-evaluate alternatives identified in Step 3. Take into account all identified impacts and mitigation measures.**

a. Explain whether it is possible to modify or relocate the project/activity and why.

b. If there are no alternatives, explain why the project/activity should occur. Consider impacts determined in Step 4 and minimization efforts identified in Step 5.

## **STATUTORY CHECKLIST**

### **STEP 7 – If re-evaluation results in no practicable alternative to relocate the project out of the floodplain/wetland, the decision must be made public.**

#### **Publish the Notice of Explanation**

The Notice of Explanation must include reasons for locating the project/activity in the floodplain/wetland, all alternatives considered, and all mitigations measures planned.

The notice must be published in a non-legal section of the newspaper of widest circulation. *A 7-day comment period begins the day after publication.* If the RE receives written comments, the RE must respond in writing, resolve issues and provide copies to CDBG. **Attach a copy of the notice, affidavit of publication and proof of distribution to this form.**

**Name of Newspaper:** \_\_\_\_\_

**Date of publication:** \_\_\_\_\_

**Were adverse comments in writing received:**  YES  NO  
(If YES, attach all correspondence.)

### **STEP 8 – Implement the Project.**

Project implementation can only proceed provided compliance has been demonstrated with respect to all of the prior steps and provided the project has been approved by the State in accordance with HUD regulation 24 CFR Part 58.

The Responsible Entity has a continuing responsibility to ensure that the mitigating measures identified in Step 7 are implemented. Mitigation measures must be incorporated, as appropriate, in project contracts and all related agreement documents.

**Are there any Conditions for Approval specific to floodplains/wetlands?**  YES  NO

**If Yes,** list Conditions for Approval identified in the HUD 8 Step Process specific to floodplains and/or wetlands:

**Additional Information/Explanations:**

**STATUTORY CHECKLIST**

**COASTAL ZONE MANAGEMENT**

**There are no Coastal Zones in Missouri.**

**Compliance Documentation:** Print documentation from website and attach.

<http://coastalmanagement.noaa.gov/mystate/welcome.html>

## **STATUTORY CHECKLIST**

### **AIRPORT HAZARDS**

#### **(Clear Zones and Accident Potential Zones)**

#### **24 CFR Part 51 Subpart D**

HUD funds may not be used for assistance, subsidy, or insurance for construction, land development, community development, or redevelopment designed to make land available for construction, or rehabilitation that significantly prolongs the life of existing facilities in designated Runway Protection Zones (RPZ) at civil airports or Protection Zones (PZ) at military airfields and Accident Potential Zone (APZ) at military airfields, except where written assurances are made that the project proposed for development will not be frequently used by people, and where written assurances are provided by the airport operator indicating no plans exist to purchase the property as part of a RPZ, PZ, or APZ acquisition program.

If CDBG funds are proposed for development in proximity to these areas, documentation must be provided that the program will comply with the requirements referenced above.

- |  |  |
|--|--|
| 1. Do project activities, regardless of funding source, involve new construction, major rehabilitation, change of land use, increases in residential density, or acquisition of real property?   | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 2. Is the project site located within 2,500 feet of the end of a civil airport runway or within 15,000 ft (2.8 miles) from the end of a military airfield?   | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3. If the answer to either question is <u>NO</u> , provide support documentation as proof of compliance.   |  |
| 4. If the answer to both questions is <u>YES</u> , documentation must be attached indicating compliance with 24 CFR Part 51 Sub-part D. Contact the applicable airport operator for dimensions of the affected zones and provide documentation that the project is located outside the affected zones. |  |

#### **List attached compliance documentation:**

**Acceptable Compliance Documentation:** Clearly indicate the project area on maps. Maps must be in color. Print lists of major airports.

#### **Maps showing project location in relation to airport/airfield:**

<http://www.airnav.com/airports/> - AirNav.com – Interactive listing of airports by state and name or city

<http://ims.missouri.edu/moims/step1.aoi/countylst.asp> CARES Interactive Maps, select ‘Transportation’ map layer

<http://www.aircraft-charter-world.com/airports/northamerica/missouri.htm> - Civil/military airports listed by state.

#### **Additional Information/Explanations:**

## **STATUTORY CHECKLIST**

### **ENDANGERED SPECIES**

#### **(Endangered Species Act (ESA), Section 7 - 50 CFR Part 402)**

The ESA mandates that Federally-assisted activities not jeopardize the existence of plants and animals listed or proposed for listing on the endangered species list. Activities proposed for areas harboring such species must avoid adversely modifying or destroying their habitat.

<http://www.fws.gov/laws/lawsdigest/esact.html> - Endangered Species Act of 1973

**If the project involves acquisition, new construction, site clearance, or public infrastructure improvements contact the following agencies. Attach all related documentation.**

**U.S. Fish & Wildlife Service**

Columbia Ecological Services Field

Charlie Scott, Field Supervisor

101 Park DeVille Drive, Suite A

Columbia, MO 65203-0057

Phone: 573-234-2132

FWS Website: <http://www.fws.gov/endangered>

**MO Department of Conservation (MODOC)**

Attention Policy Coordination

PO Box 180

Jefferson City, MO 65102

573-522-4115

MODOC Website: <http://mdcgis.mdc.mo.gov/heritage/>

**Compliance:**

**Agency Requirements:** Are conditions/mitigation measures required by agencies?

YES     NO

**If Yes,** 1) Explain agency requirements 2) Explain if they are feasible in relation to project goals 3) Describe the mitigation plan to address requirements and if mitigation measures are required for completion *prior* to beginning any physical activity, etc: (Attach additional pages as needed.)

**Agency Recommendations Related to the Site:**     No recommendations provided by agencies.

**Check all source documentation applicable and attach:**

- US Fish and Wildlife clearance
- MO Department of Conservation clearance
- Consultation correspondence (letters, e-mails, faxes, documented phone calls)
- Permitting Information
- Other sources of documentation: \_\_\_\_\_
- Compliance has been met.**

## **STATUTORY CHECKLIST**

### **WILD AND SCENIC RIVERS**

#### **(Wild and Scenic Rivers Act of 1968, 36 CFR Part 297)**

The National Wild and Scenic River System was created to conserve scenic, recreational, and fish and wildlife values of certain rivers. Wild and Scenic Rivers Act applies to rivers and segments designated by Congress or States.

Information is found at the websites below:

[http://www.nature.nps.gov/water/Wild\\_Scenic\\_Rivers/index.cfm](http://www.nature.nps.gov/water/Wild_Scenic_Rivers/index.cfm) - Wild & Scenic Rivers Act

[http://www.access.gpo.gov/nara/cfr/waisidx\\_00/36cfr297\\_00.html](http://www.access.gpo.gov/nara/cfr/waisidx_00/36cfr297_00.html) - Wild & Scenic Rivers Act, 36 CFR Part 297

#### **Determine if any proposed actions will occur within one mile of a Wild or Scenic River.**

**Federally Recognized Wild And Scenic Rivers:** Missouri has one Federally-recognized wild & scenic river -*Eleven Point River*. Print information & attach: <http://www.rivers.gov/wildriverslist.html#mo> Click MO

1. Is the project site within 1 mile of the Eleven Point River?  YES  NO

- a. If No, attach website information & check box below for compliance for Federally recognized wild and scenic rivers.
- b. If Yes, with *potential* for adverse impacts, contact the following and attach all related documentation:

U.S. Fish & Wildlife Service

Columbia Ecological Services Field

Charlie Scott, Field Supervisor, Rick Hanson, or Heidi Kufka

101 Park DeVille Drive, Suite A

Columbia, MO 65203-0057

Phone: 573-234-2132

Are mitigation measures required by USFWS?

YES  NO

If YES, explain requirements, if feasible for project goals, description of mitigation plan, if mitigation measures are to be complete before starting any physical activity, etc: (attach additional pages as necessary)

c. Has compliance been met for FEDERALLY recognized wild and scenic rivers?  YES  NO

#### **State Recognized Wild And Scenic Rivers:**

Nationwide Rivers Inventory (NRI) lists river segments in the U.S. with one or more "outstandingly remarkable" natural or cultural values of more than local or regional significance. All federal agencies must avoid or mitigate actions adversely affecting one or more NRI segments.

2. Is the project site within 1 mile of a State designated wild or scenic river segment?  YES  NO

- a. Attach website information and check the box below indicating compliance is met.

<http://www.nps.gov/ncrc/programs/rtca/nri/states/mo.html> - National River Inventory, MO segments

- b. If a designated segment lies within the jurisdictional County of the project site, map the river in relation to the project site to determine potential for impacts.

- c. If YES and there is *potential* for adverse impacts, contact National Park Service and attach all related documentation:

National Park Service

Environmental Compliance

Midwest Regional Office

601 Riverside Drive

Omaha, Nebraska 68102 Phone: 402/661-1848

Are mitigation measures required by the National Park Service?

YES  NO

If YES, explain requirements, if feasible for project goals, description of mitigation plan, if mitigation measures are to be complete before starting any physical activity, etc: (attach additional pages as necessary)

d. Has compliance been met for STATE recognized wild and scenic river segments?  YES  NO

## **STATUTORY CHECKLIST**

### **FARMLAND PROTECTION**

#### **(Farmland Protection Policy Act, 7 CFR 658)**

The purpose of the Farmland Protection Policy Act (FPPA) is to minimize unnecessary and irreversible conversion of farmland to non-agricultural uses.

FPPA is NOT applicable to lands already in or committed to urban development or water storage, already zoned non-agricultural, or containing over 40 structures per square mile.

FPPA IS applicable to land designated as *Prime* or *Unique* agricultural lands by USDA Natural Resources Conservation Service, including forestland, pastureland & cropland, and farmland of statewide or local importance.

**Compliance:** Does the project involve new construction, acquisition or disposition of agricultural land, pasture or forested land that would result in development or conversion for non-agricultural use?

**No**      Explain current land use and/or zoning classification of proposed project site(s):

Describe current land use of the project site and surrounding/adjacent parcels of the project site. Explain compatibility of proposed project activities with current land use. Attach support documentation for current zoning classification and/or land use such as ordinances, and color photos and maps. Attach additional pages as necessary:

**Yes**      Complete the *Farmland Conversion Impact Rating Form AD 1006* at the following:  
[http://www.nrcs.usda.gov/programs/fppa/pdf\\_files/AD1006.PDF](http://www.nrcs.usda.gov/programs/fppa/pdf_files/AD1006.PDF). Submit the form to the USDA NRCS office *in your region*. Contact information for NRCS offices at the following website.  
[http://www.mo.nrcs.usda.gov/technical/soils/tss/out/nrcs\\_tss\\_121709.pdf](http://www.mo.nrcs.usda.gov/technical/soils/tss/out/nrcs_tss_121709.pdf)

Describe the outcome of the NRCS rating, any conditions or mitigation measures required, and the feasibility of these requirements in relation to project goals. Attach all related documentation

Related Website: <http://ims.missouri.edu/moims/step1.aoi/countylist.asp> - UMC Cares Map Room

If using a map for support documentation, print in color.

\* The map site listed above is for preliminary screening purposes only.

## **STATUTORY CHECKLIST**

### **NOISE CONTROL**

#### **(24 CFR Part 51, Sub-part B)**

The purpose of the HUD Noise Regulation is to encourage suitable separation between noise sensitive land uses and major noise sources. It establishes standards, requirements, and guidelines regarding noise control and abatement for HUD assisted projects. If other funding sources are assisting the project and also require noise control, comply with the strictest noise standards.

1. Explain potential noise associated with **a) construction, and b) completed project**. Attach additional pages as needed:
  
2. Is the proposed project a noise sensitive land use (residential, school, day care center, community center, library, hospital, nursing home, auditorium, health clinic, shelter, etc)?  YES  NO
  
3. Is the proposed project located within proximity of any of the following major noise sources?  YES  NO  
  
If yes, check all that apply:
  - Within 1,000 feet of a major roadway (high volume traffic, heavy truck traffic, etc.)
  - Within 3,000 feet of a railroad  
Are there any designated quiet zones in the project area?  YES  NO  
If Yes, explain and attach related documentation:
  - Within 15 miles of an airport
  - Other significant noise sources (industrial/manufacturing facilities, power generating stations, etc.)

4. Is the project a major noise source within proximity of a noise sensitive use?  YES  NO

If Yes to both #2 and #3, or Yes to #4, a Noise Assessment is **required**. Refer to the 'HUD Noise Guidebook' and the DNL Calculator at the websites below. **Attach all related documentation**.

<http://www.hud.gov/offices/cpd/environment/review/noise.cfm>

<http://www.hud.gov/offices/cpd/environment/dnlcalculator.cfm>

Please note that the use of a noise meter may only be used when there is insufficient or inadequate data. See page 101 -102 of 'HUD Noise Guidebook' as to when it is appropriate to use measurements from a noise meter.

5. **If a Noise Assessment was required, attach the assessment and indicate the outcome below:**  N/A

**Exterior Noise is determined:** (DNL = Day Night Average Sound Level)

- ACCEPTABLE - Noise is determined 65 DNL or less
- NORMALLY UNACCEPTABLE - Noise exceeds 65 DNL up to 75 DNL
- UNACCEPTABLE – Noise exceeds 75 DNL

**Interior Noise is determined:**

- ACCEPTABLE – Noise is determined 45 DNL or less
- UNACCEPTABLE – Noise exceeds 45 DNL

If noise levels were determined NORMALLY UNACCEPTABLE:

- Noise attenuation activities are feasible to meet acceptable internal and external noise levels. Attach analysis of mitigation measures, including construction specifications.
- An alternative project site will be used.
- Noise attenuation activities are NOT feasible to meet acceptable internal and external noise levels and there are no alternative sites - the project is rejected.

If noise levels were determined UNACCEPTABLE:

- Noise attenuation activities are feasible to meet acceptable internal and external noise levels. Attach analysis of mitigation measures, including construction specifications.
- An alternative project site will be used.
- No alternative project site is available. The project is rejected.

## **STATUTORY CHECKLIST**

### **EXPLOSIVE AND FLAMMABLE OPERATIONS**

#### **(24 CFR Part 51 Sub-part C)**

HUD-assisted projects must be assessed for the presence of facilities presenting an explosive or flammable hazard to project sites in an effort to prevent injury to occupants and damage to buildings from industrial accidents.

1. Does the proposed project involve any of the following residential activities: conversion of non-residential land to residential land use, rehabilitation where unit density is increased, new housing construction, or vacant buildings made habitable?  YES  NO
2. Does the proposed project entail institutional, recreational, commercial, or industrial use, including open spaces, where people may congregate?  YES  NO
3. Has a documented site visit been completed? Consultation with a qualified individual may also be required. Attach all correspondence and related documentation. Print and attach information from Petroleum Storage Tank Insurance Fund (PSTIF).  
<http://www.database-view.com/pstif/>  YES  NO

If NO to #1 and #2, document that no Explosive or Hazardous Operations are relevant to the project by attaching the site visit and other related documentation as indicated below under "Acceptable Source of Information".

4. If YES to #1 or #2 Is the project within sight of or within one (1) mile of stationary hazardous facilities that store, handle, or process chemicals or petrochemicals of an explosive or flammable nature, such as liquid propane, gasoline or other above-ground storage tanks, particularly when there are no intervening topography, existing structures or barriers, are unsuitable for new development or substantial rehab projects.  YES  NO

Mobile tanks (including railroad cars), buried tanks, and tanks with less than 100-gallon capacity and having common fuels are excluded.

If YES, **Acceptable Separation Distance (ASD) must be determined**. Refer to the 'Siting of HUD-Assisted Projects Near Hazardous Facilities Guidebook' and the Acceptable Separation Distance Calculator at the websites below.

Attach all related documentation.

<http://www.hud.gov/offices/cpd/environment/training/guidebooks/hazfacilities/> - HUD Noise Guidebook

<http://www.hud.gov/offices/cpd/environment/asdcalculator.cfm> - HUD Online Noise Calculator

#### **Acceptable Sources of Information:**

- Documented visit of site and surrounding area, accompanied by color photographs for smaller above storage tanks and an aerial map for larger above storage tanks.
- Maps indicating distances of project site(s) to any explosive and hazardous operations
- Fire marshal, fire department, or fire prevention agencies
- City, county, or project engineer
- Documented interviews with property owners and/or companies operating aboveground tanks
- Current aboveground tank inspection reports
- Current color U.S.G.S topographic map
- Color survey land use maps

#### **Additional Information/Explanations:**

## **WATER QUALITY**

**STATUTORY CHECKLIST**

**Water Supply and Ground Water**

**(Safe Drinking Water Act of 1974, Clean Water Act)**

The Safe Drinking Water Act (SDWA) protects public health by regulating the nation's public drinking water supply. The law requires many actions to protect drinking water and its sources: rivers, lakes, reservoirs, springs, and ground water wells. SDWA applies to every public water system in the U.S, but does not regulate private wells serving fewer than 25 people.

<http://www.epa.gov/safewater/sdwa/index.html> -Safe Drinking Water Act of 1974

<http://www.epa.gov/watertrain/cwa/> -Clean Water Act

1. a. Is there an existing municipal or public water supply adequate to serve the project?  YES  NO  
b. Is the water supply safe and free of contamination?  YES  NO

Explain. Attach inspection reports, and/or letters, or documented telephone calls from Public Water Supply District or comparable source. [http://www.epa-echo.gov/echo/compliance\\_report\\_sdwa.html](http://www.epa-echo.gov/echo/compliance_report_sdwa.html) - EPA Safe Drinking Water Act Search Page

2. Will any waterways be affected by the project?  YES  NO

Explain, and identify on a color map, any rivers, lakes, streams, or other water bodies that may receive effluent discharges from the project site that could impact potable water. Attach other documentation from qualified sources.

3. Explain construction best management practices, construction staging controls, permitting, and/or local requirements for protecting groundwater during construction activities.

4. Does the project entail acquisition of undeveloped land, changes in land use, or new construction?  YES  NO

If YES, will the project draw water from a Sole Source Aquifer?  YES  NO

**Print and attach supporting documentation.** EPA-designated sole source aquifers are listed at:

[http://www.epa.gov/safewater/sourcewater/pubs/qrg\\_ssamap\\_reg7.pdf](http://www.epa.gov/safewater/sourcewater/pubs/qrg_ssamap_reg7.pdf)

## **STATUTORY CHECKLIST**

### **5. WELLS:**

- a. Will the project involve drilling a well?  YES  NO  
If YES, is the location subject to rapid water withdrawal problems that will change depth of the water table?  YES  NO  
(Attach county health department inspection reports, letters and/or documented telephone calls.)
- b. Will the project use a private well for its water supply?  YES  NO  
If YES:  
Has the source been tested and free of contamination?  YES  NO  
(Submit most current inspections/reports.)  
Are septic systems present on or around the project site and have they been properly installed and maintained? If YES, submit documentation.  YES  NO
- c. Do one or more wells exist on the project site?  YES  NO  
If YES, will wells remain in use for the project?  YES  NO
- d. Does the project require abandoning/decommissioning one or more wells?  YES  NO  
If yes, contact:  
MO DNR Wellhead Protection Section  
PO Box 25  
Rolla, MO 65402  
For questions, contact (573)368-2165.
- e. Public Water Supply Notification: If any household will disconnect from a private well to connect to a municipal water system or Public Water Supply District as part of the CDBG-assisted project, wells must be plugged in accordance with *10 CSR23-3.110 – Plugging Wells*. DNR contact information is listed above, for further information.  N/A

Contact the DNR Public Drinking Water Program, Wellhead Protection Section before construction begins on any public water supply well to determine if it is a non-community or community supply and if an engineer is required to evaluate the supply.

**Documentation:** Attach documented site visits and/or interviews with DNR, property owners, county health department, etc.

#### **For Further Information:**

- <http://www.dnr.mo.gov/env/wpp/permits/index.html> - DNR - Permitting  
[http://www.dnr.mo.gov/DWW/Maps/Map\\_Template.jsp](http://www.dnr.mo.gov/DWW/Maps/Map_Template.jsp) - DNR County Interactive Water Systems Data  
<http://www.dnr.mo.gov/env/wrc/surfh2o.htm> - DNR- Surface Water  
<http://www.dnr.mo.gov/env/wrc/grdh2o.htm> - DNR - Ground Water  
<http://www.dnr.mo.gov/geology/geosrv/wellhd/> - DNR Wellhead Protection Section  
<http://cfpub.epa.gov/surf/locate/index.cfm> - EPA - Locate Your Watershed

#### **Additional Information/Explanations:**

**STATUTORY CHECKLIST**

**AIR QUALITY**

**(Clean Air Act 42 U.S.C. 7400 Section 176 & 171, 40 CFR Parts 6, 51, 93)**

**Federal, State and Local Compliance** (Attach additional pages as necessary)

1. Is the project in an EPA-designated non-attainment or maintenance area for one or more of the six criteria pollutants regulated under the Clean Air Act?  YES  NO

Attach documentation from EPA: <http://www.epa.gov/oar/oaqps/greenbk/ancl.html#MISSOURI>

If Yes, a determination of conformity with the State Implementation Plan (SIP) is required for the project and specific pollutant for which the area was designated a non-attainment or maintenance area. Contact EPA Region VII to determine if the project requires a permit under the SIP.

If Yes, obtain a letter of consistency from EPA proving the project is consistent with the SIP. Provide explanations and attach all correspondence.

2. Does the project require installation and/or operating permits, or indirect sources permit, in accordance with the Clean Air Act?  YES  NO

<http://www.dnr.mo.gov/forms/#AirPollution> – DNR Air Permitting

If Yes, explain and attach all permitting documentation:

3. Are there local air pollution rules or policies for controlling fugitive dust, and vehicle and equipment emissions during construction activities?  YES  NO

Attach any County or City ordinances or codes.

If NO, explain how fugitive dust from equipment and vehicles will be controlled during construction activities?

4. a.) Explain if the completed project could encourage similar developments in the area that could contribute or lead to future violations of air quality standards.

b.) Explain the sources, types, and amounts of air emissions produced by the *finished* project and the mitigation needed to control or alleviate air emissions.

5. Noxious Odors or Fumes: Explain potential for odors and fumes from surrounding area sources and the completed project; include mitigation measures required to minimize migration of noxious odors or fumes.

## STATUTORY CHECKLIST

**Indoor Air Quality** - Provide information on sources and types of air emissions that could affect indoor air quality after construction.  
Attach additional pages as needed to adequately explain each.

### 1. ASBESTOS:

- a. Does the project involve demolition or rehabilitation of residential, commercial, or bridge structures?  YES  NO

If YES, a Missouri Certified Asbestos Inspector, certified by DNR, must be hired to perform an asbestos inspection identifying the quantity, type, condition, and location of asbestos containing materials. Comply with DNR reporting requirements. If friable asbestos containing materials are present requiring abatement, a Missouri registered asbestos abatement contractor must be hired. If CDBG funds are proposed to pay for asbestos inspection and/or abatement, CDBG procurement methods apply.

DNR Asbestos Unit - (573) 751-4817

Attach all support documentation regarding asbestos inspection and/or abatement.

- b. Does the project include removal of asbestos water or sewer pipes?  YES  NO

If asbestos piping will be removed, wet methods must be used and debris material properly disposed in a sanitary landfill that accepts asbestos containing material. If the amount of asbestos containing material is over 260 linear feet, a DNR-certified abatement contractor must be used. Nothing is required if pipe is to be left in place.

<http://water.epa.gov/drink contaminants/basicinformation/asbestos.cfm> - EPA Asbestos in Drinking Water

[http://www.access.gpo.gov/nara/cfr/waisidx\\_02/40cfr61\\_02.html](http://www.access.gpo.gov/nara/cfr/waisidx_02/40cfr61_02.html) - 40 CFR Part 61

<http://www.sos.mo.gov/adrules/csr/current/10csr/10c10-6a.pdf> - 10 CSR 10-6.241 & 10-6.250

<http://www.dnr.mo.gov/env/apcp/Asbestos.htm> - DNR Asbestos Information & Forms

<http://www.dnr.mo.gov/pubs/pub2374.pdf> - Environmental Regulations for Demolition Project Checklist

<http://www.dnr.mo.gov/pubs/pub2157.pdf> - Asbestos Requirements for Demolition & Renovation

<http://www.dnr.mo.gov/pubs/pub2156.pdf> - Management of Non-Friable Asbestos Containing Materials

<http://www.epa.gov/asbestos/> - EPA – Asbestos

[http://www.osha.gov/pls/oshaweb/searchresults.category?p\\_text=asbestos&p\\_title=&p\\_status=CURRENT](http://www.osha.gov/pls/oshaweb/searchresults.category?p_text=asbestos&p_title=&p_status=CURRENT) - OSHA

### 2. LEAD BASED PAINT:

- a. Does the project involve **rehabilitation** to structures built prior to January 1, 1978?  YES  NO

If YES, is there potential for children under 6 years old to reside over 100 days or spend over 10 hours a week in the project structure?  N/A  YES  NO

Pay particular attention to high friction areas like doors and windows, and assess if paint has made contact with soil. Consult with the lead risk assessor to determine whether there is a need for soil testing.

If YES lead paint testing is required for deteriorated paint surfaces and paint surfaces that will be disturbed. A Missouri Licensed Lead Professional licensed through the Missouri Department of Health and Senior Services (DHSS) must be hired. Comply with all DHSS requirements.

- b. Does the project involve **demolition** of structures built prior to January 1, 1978?  YES  NO

If YES, will property re-use involve residential; child-occupied facility such as a day care center, pre-school, or playground; and common areas such as open spaces that may be used by children?

If YES, soil testing is required by an EPA-certified lead risk assessor also listed on the DHSS website.

<http://epa.gov/lead/pubs/leadhaz.htm> - EPA Residential Lead Hazard Standards

- c. Does the project involve demolition or rehabilitation of an **elevated water tower/tank**?  YES  NO

If YES, is lead based paint located on the interior and/or exterior of the tower/tank?  YES  NO

- d. Does the project involve demolition or rehabilitation of a bridge?

If YES, does the bridge contain lead based paint?

If Yes to c or d, does the field visit reveal any deteriorated paint such as crackling, peeling and chipping?  YES  NO

- e. Explain any mitigation measures that will be implemented during the project including soil testing, remediation of existing lead in soils, and how soils will be protected from lead based paint during demolition and/or construction activities.

Attach all related documentation.

## STATUTORY CHECKLIST

If CDBG funds are proposed to pay for lead testing, treatment, and/or abatement, CDBG procurement methods apply.

<http://health.mo.gov/safety/leadlicensing/professionals.php> -MO Licensed Lead Professionals

<http://www.moga.mo.gov/STATUTES/C701.HTM> - RSMO 701.300-701.338

1. **RADON:** Does the project entail new construction or major rehabilitation to any type of building to be used for *residential* purposes or *long term occupancy* of people?  YES  NO

If YES, follow the directions below that are applicable to your project:

- a. **Existing Buildings:** A radon test must be conducted prior to construction improvements.  N/A  YES  NO  
Attach test results.

Do test results reveal radon levels in excess of 4 picocuries?  N/A  YES  NO

If YES, mitigation is required and further testing at project completion.

**Retesting:** If re-testing was necessary, explain if test results reveal radon levels in excess of 4 picocuries. Attach test results and any explanations.

b. **New Construction:** Radon mitigation should be implemented during the project. Radon testing is required after construction is complete.  N/A  YES  NO

**If Radon Testing was required:** Do test results reveal radon levels in excess of 4 picocuries? Attach test results and any explanations.  
[A picocurie = unit of measure for levels of radon gas (pCi)]

<http://www.epa.gov/radon> - EPA Radon Information

<http://www.epa.gov/radon/states/missouri.html> -EPA-Radon in Missouri

2. **MOLD:** Does the project entail rehabilitation of any building with evidence of mold on any building component, or an interior moisture-related problem, including roof leaks or moisture in and around the interior foundation or crawl space? Document a site visit and attach color photos.  YES  NO

If YES, describe how mold will be eliminated and the construction measures required to eliminate source(s) of mold-inducing moisture inside the structure. Attach documentation to support implementation of mold remediation.

<http://www.epa.gov/mold/moldresources.html> - EPA - Mold

### Additional Information/Explanations:

## **STATUTORY CHECKLIST**

### **CONTAMINATION AND TOXIC MATERIALS**

#### **(HUD Policy on Site Contamination [Sec. 58.5(i)(2)])**

HUD-assisted project sites *must* be free of contamination and chemicals where a hazard could affect health and safety of occupants or conflict with intended use of properties. Particular attention should be paid to sites located on or near landfills, industrial sites, gas stations, or other locations with *potential* for contaminants. If the project involves property acquisition, investigations must be complete and resolved *prior* to the formal transfer of property.

**Identify Site Contamination:** (Acceptable documentation: documented site visit, current historical property data, site inspections, ASTM E1527-05 Standard Phase I Environmental Site Assessment and, if applicable, Phase II and Phase III Assessments, other recent environmental studies, documentation from DNR and EPA staff)

1. Explain previous uses of the site and attach acceptable documentation: historical research of property, information from prior land owners, deed, title, easements, liens, aerial photographs, etc.
  
  
  
  
  
2. Is fill/borrow material required for the project?  Yes  No  
If Yes, identify the origin of the fill on a map, and complete and document a site visit – attach all documentation.  
Based on the site visit, is there evidence of contamination at the fill/borrow site?  Yes  No  
If Yes,  A current ASTM Phase I Environmental Site Assessment is attached.  
 The borrow site is rejected. Evaluate the potential for contamination on any new borrow sites identified. Attach all related documentation.
  
  
  
  
  
3. Does the project anticipate removal of fluorescent light fixtures?  Yes  No  
If Yes, explain if the ballast in the fixture is identified as a Non-PCB ballast and if it shows signs of leaking.
  
  
  
  
  
4. Does the project anticipate removal of HVAC unit?  Yes  No  
If Yes, explain if a mercury-filled tipping mechanism (thermostat) is to be removed and if there is a Freon-based AC unit to be replaced.

### **Professional Environmental Site Assessments to Assess Contamination**

1. Has a current ASTM 1527-05 Phase I Environmental Site Assessment (ESA) been completed? (Generally, a Phase I ESA is considered current for 180 days)  
Date of Phase I ESA: \_\_\_\_\_  
(Attach the Phase I assessment)  YES  NO
2. **If a Phase I Site Assessment has been completed, answer the following:**  N/A
  - a. Does contamination exist or is suspected to exist?  YES  NO
  - b. Will contaminants affect health and safety of occupants or conflict with the intended use of the site?  YES  NO
  - c. Is a Phase II Assessment recommended?  YES  NO

### STATUTORY CHECKLIST

<b>STATUTORY CHECKLIST</b>			
<p><b>3.</b> If a current Phase I ESA has NOT been completed, determine if it is appropriate. A Phase I ESA is required if the potential for contamination exists. Following are questions to determine if a Phase I ESA is needed:</p> <p>a. Based on the current site visit conducted, is there evidence of stained soil or pavement, other than water stains, on or around the project site? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>b. Is the project site an EPA Superfund (CERCLA) site or within 1 mile of a Superfund Site? (Print and attach documentation from EPA's website below)  <a href="http://www.epa.gov/region7/cleanup/npl_files/index.htm#Missouri">http://www.epa.gov/region7/cleanup/npl_files/index.htm#Missouri</a>-EPA Superfund (NPL) Sites</p> <p>c. Have hazardous substances, pollutants, or contaminants been stored or dumped on the project site? <input type="checkbox"/> YES <input type="checkbox"/> NO          (A site visit must be documented along with color photos of the site and surrounding area.)</p> <p>d. Is the project site near an industry or in an industrial area disposing of chemicals and/or hazardous waste? <a href="http://www.epa.gov/emefdata/em4ef.home">http://www.epa.gov/emefdata/em4ef.home</a> - EPA EnviroMapper or  <a href="http://epamap14.epa.gov/ejmap/entry.html">http://epamap14.epa.gov/ejmap/entry.html</a> - EPA EJView</p> <p>e. Is the project site located within 3,000 feet of a toxic or solid waste landfill site? <input type="checkbox"/> YES <input type="checkbox"/> NO  <a href="http://www.dnr.mo.gov/env/hwp/maps/index.html">http://www.dnr.mo.gov/env/hwp/maps/index.html</a> - DNR Hazardous Waste Map Gallery</p> <p>f. Does the project site contain, or is it adjacent to, aboveground or underground storage tanks? <input type="checkbox"/> YES <input type="checkbox"/> NO          Access and print database information: <a href="http://www.dnr.mo.gov/env/hwp/downloads/hwpet.htm">http://www.dnr.mo.gov/env/hwp/downloads/hwpet.htm</a> - DNR Petroleum Storage Tanks</p> <p>g. If tanks are present, have any tanks been identified by DNR as leaking? Contact the <b>DNR Tanks Section: 573-751-6822</b> <input type="checkbox"/> N/A <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>h. Based on the results of the above information, is a Phase I ESA needed? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p><b>4.</b> Does the Phase I Assessment recommend a Phase II Assessment to be conducted? <input type="checkbox"/> N/A <input type="checkbox"/> YES <input type="checkbox"/> NO          If YES, CDBG requires the completion of the Phase II Assessment.          Submit the assessment once complete.          Date of Phase II assessment: _____</p> <p><b>5.</b> Was a Phase II Assessment completed on the site prior to the proposed project application? (Attach Phase II Assessment) <input type="checkbox"/> YES <input type="checkbox"/> NO          Date of Phase II assessment: _____</p> <p><b>6.</b> Does contamination exist at the project site? <input type="checkbox"/> YES <input type="checkbox"/> NO          If contamination exists at the site, <u>explain</u> if it is feasible for clean up. Consider the extent of contamination, funds available, if timeframe for cleanup is feasible within the project timeline, etc. Attach additional pages as needed.</p> <p><b>7.</b> Is cleanup of the site <u>required</u>? If YES, <u>explain</u> the plan for cleanup/remediation activities. <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p><b>8.</b> Are there conditions for environmental approval? <input type="checkbox"/> YES <input type="checkbox"/> NO  <u>If YES, explain.</u> Attach additional pages as needed.</p> <p><b>More information is found at the following:</b>  <a href="http://www.dnr.mo.gov/env/hwp/index.html">http://www.dnr.mo.gov/env/hwp/index.html</a> - MO DNR Hazardous Waste Program  <a href="http://www.dnr.mo.gov/env/hwp/bvcp/hwpvcp.htm">http://www.dnr.mo.gov/env/hwp/bvcp/hwpvcp.htm</a> - DNR Brownfields/Voluntary Cleanup Program  <a href="http://www.astm.org/cgi-bin/SoftCart.exe/index.shtml?E+mystore">http://www.astm.org/cgi-bin/SoftCart.exe/index.shtml?E+mystore</a> - Association for Standards &amp; Testing Methods (ASTM)</p>			

**STATUTORY CHECKLIST**  
**ENVIRONMENTAL JUSTICE**  
**(E.O. 12898)**

The purpose of Executive Order 12898 is to direct Federal agencies to identify and address as appropriate “disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority populations and low-income populations”. Generally, this applies to low-income and minority neighborhoods where HUD-assisted projects are proposed for acquisition of existing housing, acquisition of land for development, change in land use, demolition, major rehabilitation, and new construction. At a minimum, Environmental Justice should address the consideration of actual and potential environmental impacts to people of low-income and minority status resulting from the proposed project, and mitigation measures to minimize adverse impacts as much as practicable within the principles of the Executive Order. It is imperative that consistency is maintained throughout the project. Attach additional pages as needed.

1. Explain the planning/ zoning classification and/or land use designation of the project site and immediate area. If zoning does not exist, explain the land use on and around the project area. (Acceptable documentation includes official planning & zoning information, color maps, color photographs, description of project and surrounding areas).
  
2. Explain opportunities for public involvement in decision making. (Acceptable support documentation includes: minutes from council/commission meetings and other public meetings/hearings; meeting sign-in sheets, copies of public notices and affidavits of publication; newspaper articles, website information, etc.)
  
3. Is the proposed project located in or around a low-income or minority neighborhood?  YES  NO  
If Yes, explain how individuals have been made aware of the project and the opportunity for public comment and involvement. Attach all related documentation.  
EPA's EJView: <http://epamap14.epa.gov/ejmap/entry.html>  
Click "Demographics" on the menu to the right:  
(a) Click "Below Poverty"; choose Block Group, Tract, or County. Print and attach color map.  
(b) Click "Minority"; choose Block Group, Tract, or County. Print and attach color map.

4. Explain all environmental impacts of the proposed project to low-income and minority persons.

Positive Impacts Anticipated:

Negative Impacts Anticipated:

5. Explain if project activities could contribute to already adverse conditions to minority and/or low income persons.

**More information is found at the following:**

<http://www.epa.gov/compliance/environmentaljustice/> - EPA – Environmental Justice

<http://www.epa.gov/lawsregs/laws/eo12898.html> - E.O. 12898

<http://www.hud.gov/offices/cpd/environment/review/justice.cfm> - HUD Environmental Justice



**Community Development Block Grant**

301 W. High Street, Room 770  
PO Box 118  
Jefferson City, MO 65102

## **2011 ENVIRONMENTAL ASSESSMENT**

**For State of Missouri CDBG-funded Projects**

<b>PROJECT NAME</b>	<b>CDBG PROJECT # (IF FUNDED)</b>
<b>RESPONSIBLE ENTITY/GRAANTEE LOCATION [24 CFR 58.2(A)(7)(II)]</b>	<b>RE TELEPHONE NUMBER</b>
<b>CERTIFYING OFFICER NAME &amp; TITLE [24 CFR 58.2(A)(2)]</b>	

<b><u>CDBG ENVIRONMENTAL ASSESSMENT</u></b>	
<b>PROJECT LOCATION/ADDRESS</b>	
<b>ESTIMATED TOTAL PROJECT COST- ALL SOURCES &amp; AMOUNTS</b>	
<b>Total Project Cost:</b>	
CDBG Funds:	Other State Funds:
Local Cash Contribution:	Federal Funds:
Private Contribution:	In-Kind Contribution:
<b>RESPONSIBLE ENTITY <u>PROJECT CONTACT</u> NAME, ADDRESS, TELEPHONE</b>	
<b>NAME OF GRANT <u>SUB-RECIPIENT, IF APPLICABLE</u>    <input type="checkbox"/> N/A</b>	
<b>SUB-RECIPIENT CONTACT PERSON, ADDRESS, TELEPHONE</b>	
<b>CONDITIONS FOR APPROVAL</b> [24 CFR 58.40(d), 40 CFR 1505.2(c) and 40 CFR 1508.20] <i>As appropriate:</i> (List all mitigation and project modification measures adopted by the Responsible Entity to eliminate or minimize adverse environmental impacts. These conditions must be included in project contracts and all relevant agreement documents.) <u>Attach additional pages as necessary.</u>	

## CDBG ENVIRONMENTAL ASSESSMENT

### **FINDING:** [58.40(g)]

**Finding of No Significant Impact (FONSI)**

The project will not result in a significant impact on the quality of the human environment.

**Finding of No Significant Impact (FONSI) with Conditions for Approval**

The project will not result in a significant impact on the quality of the human environment. Mitigation and project modification measures, as listed under 'Conditions for Approval', will be adopted by the Responsible Entity to eliminate or minimize adverse environmental impacts.

**Finding of Significant Impact (FOSI)**

The project may significantly affect the quality of the human environment. The project must be rejected unless the Responsible Entity completes an Environmental Impact Statement.

In my capacity as Preparer of the Environmental Assessment, as designated by the Responsible Entity, I hereby attest that the Environmental Assessment document is true and complete to the best of my knowledge and supports the Finding indicated above:

PREPARER SIGNATURE	DATE
--------------------	------

PREPARER NAME & TITLE
-----------------------

PREPARER'S AGENCY (IF DIFFERENT FROM RE)
--

In my capacity as Certifying Officer on behalf of the Responsible Entity and in conformance with 24 CFR Part 58, I have reviewed the attached CDBG Environmental Assessment prepared by the above-designated individual. I have independently evaluated the information contained within the Environmental Assessment, supplemented the information where appropriate, and on behalf of the Responsible Entity, assume responsibility for the accuracy of the information contained therein. I hereby approve of the Finding and conditions indicated above:

RE APPROVING OFFICIAL SIGNATURE	DATE
---------------------------------	------

RE APPROVING OFFICIAL NAME & TITLE
------------------------------------

**CDBG ENVIRONMENTAL ASSESSMENT**

- Does this project require a Tiered Reviewed approach? [24 CFR §58.15]  Yes  No
- Is this a multi-year/phased project? [24 CFR §58.32(d)]  Yes  No

**Preliminary Project Design:** Check the appropriate box or boxes and attach

**PER:** Date \_\_\_\_\_ Firm \_\_\_\_\_  
 Addendums # of Addendums to date \_\_\_\_\_

**PAR:** Date \_\_\_\_\_ Firm \_\_\_\_\_  
 Addendums: # of Addendums to date \_\_\_\_\_

**Purpose and Need of the Project:** [“Statement of Purpose and Need of the Proposal” – 40 CFR 1508.9(b)] Explain why the project is needed and attach additional pages as necessary.

**Description of the Project:** [24 CFR 58.32, 40 CFR 1508.25] Include all contemplated actions proposed by all funding sources as part of the project. Attach additional descriptive information, including scaled location map, U.S.G.S. topographic map, aerial photograph, site plans, renderings, color photographs, budgets, etc. Attach additional pages as *necessary*.

## **CDBG ENVIRONMENTAL ASSESSMENT**

**Existing Conditions and Trends:** [24 CFR 58.40(a)] Describe existing conditions of the project area and its surroundings, and the trends likely to continue in absence of the project.

**Examination of Project Alternatives:** [24 CFR 58.40(d)&(e)] Explain ALL alternatives considered including project activities, sites, designs, plans, etc. and how the determination was made to implement the chosen alternative. Include no action and/or no project. (Refer to the preliminary engineering and/or *architectural* report. Add pages as needed.)

**Citizen Participation:** [40CFR 1506.6] Indicate how the public in the area have been, or are planned to be informed of the proposed project and its potential environmental impacts. Explain if any adverse comments have been received and how issues were resolved. [Public hearings and meetings, published notices including affidavits of publication or newspapers, posted notices certified by chief elected official, newspaper articles (copies or original articles), printed website information, etc.] Attach all supporting documentation.

**CDBG ENVIRONMENTAL ASSESSMENT**  
**SUMMARY OF ENVIRONMENTAL REVIEW**

**Impact Codes:** 1=No impact anticipated 2=Potentially beneficial 3=Potentially adverse 4=Requires Mitigation 5=Requires project modification

Environmental Impact	Code	Source Documentation
Historic Properties (SHPO & Tribal contacts)		
Floodplain Management		
Flood Insurance		
Wetlands Protection		
Coastal Zones		
Airport Hazards		
Endangered Species		
Wild & Scenic Rivers		
Farmland Protection		
Noise Control		
Explosive/Flammable Operations		
Water Quality		
Air Quality		

**CDBG ENVIRONMENTAL ASSESSMENT**  
**SUMMARY OF ENVIRONMENTAL REVIEW**

**Impact Codes:** 1=No impact anticipated 2=Potentially beneficial 3=Potentially adverse 4=Requires Mitigation 5=Requires project modification

Environmental Impact	Code	Source Documentation
Contamination/Toxic Materials		
Environmental Justice		
Land Development		
Community Facilities & Services		
Wastewater		
Solid Waste		
Storm Water Drainage		
Lead Based Paint		
Asbestos		
Energy Consumption		
Radon		
Other(s):		

<b><u>CDBG ENVIRONMENTAL ASSESSMENT</u></b>		
<b><u>HISTORIC PROPERTIES</u></b>		
<b>(Historic Preservation Act 16 U.S.C. 470 &amp; 36 CFR Part 800)</b>		
<b>Section 106 Project Information Form - <a href="http://www.dnr.mo.gov/forms/780-1027-f.pdf">http://www.dnr.mo.gov/forms/780-1027-f.pdf</a></b>		
<b>Section 106 Review – MO SHPO - <a href="http://www.dnr.mo.gov/shpo/sectionrev.htm">http://www.dnr.mo.gov/shpo/sectionrev.htm</a></b>		
1.	Is any property in the project listed or eligible for listing on the National Register of Historic Places? ( <i>Print information from websites and attach</i> )	
	<a href="http://www.nps.gov/history/nhl/designations/Lists/MO01.pdf">http://www.nps.gov/history/nhl/designations/Lists/MO01.pdf</a> - National Historic Landmarks	
	<a href="http://www.dnr.mo.gov/shpo/MNRLList.htm">http://www.dnr.mo.gov/shpo/MNRLList.htm</a> - SHPO National Register Listings by County	
2.	To your knowledge, is any property in the project located within or directly adjacent to a historic property?	
3.	If a tiered review, has the SHPO been notified that site-specific reviews will be completed as activities & properties are known? <input type="checkbox"/> N/A	
4.	Is fill material or borrow required for the project?  If Yes, was the location of the fill or borrow reviewed by the SHPO?	
5.	Has the RE provided adequate public involvement for identification of and project impacts to historic properties consistent with 36 CFR Part 800.2(d)?	
<b>Check all that apply and attach:</b> <input type="checkbox"/> Public Notices <input type="checkbox"/> Public Hearing Minutes <input type="checkbox"/> Direct Mail <input type="checkbox"/> Newspapers/Newsletters <input type="checkbox"/> Postings (Websites, High Traffic Buildings, etc.)		
6.	Do any Indian tribes have an interest in the project or undertaking?  <a href="http://www.hud.gov/offices/cpd/environment/tribal/mo/County_MO.pdf">http://www.hud.gov/offices/cpd/environment/tribal/mo/County_MO.pdf</a> HUD Tribal Directory Attach HUD Tribal Directory, and all correspondence, as applicable.	
7.	Is a cultural resource survey required as part of the Section 106 Review?  If YES, indicate the type required and date accepted below: <input type="checkbox"/> Architectural Survey Completed – Date of SHPO acceptance letter: _____ <input type="checkbox"/> Archaeological Survey Completed – Date of SHPO acceptance letter: _____	
8.	<b>SHPO Project Number Assigned:</b> _____	
9.	<b>Result of Section 106 Review:</b> <i>Attach Section 106 form, including attachments</i> <input type="checkbox"/> No Historic Properties Affected - Date of SHPO Letter(s): _____ <input type="checkbox"/> No Adverse Affect – Date of SHPO Letter(s): _____ <input type="checkbox"/> No Adverse Effect With Conditions – Date of SHPO Letter(s): _____ Date of SHPO acceptance letter: _____ <input type="checkbox"/> Adverse Affect - Date of SHPO Letter(s): _____ <i>(Project either rejected or requires Memorandum of Agreement (MOA) with SHPO)</i>	
10.	<b>MOA</b> ( <i>Attach SHPO acceptance once received and final copy of MOA</i> ) <input type="checkbox"/> N/A – MOA Not Required <b>Check all that apply:</b> <input type="checkbox"/> ACHP notified ( <i>Must be contacted prior to executing MOA</i> ) <input type="checkbox"/> ACHP chooses to participate in the MOA <input type="checkbox"/> ACHP does not choose to participate in the MOA <input type="checkbox"/> Indian Tribes Notified - <input type="checkbox"/> N/A – No Tribes Identified with interest in the project county <input type="checkbox"/> One or more Tribes choose to participate in the MOA <input type="checkbox"/> No Tribal participation <input type="checkbox"/> All stipulations may be completed and approved by SHPO prior to beginning any physical project activities <input type="checkbox"/> MOA Stipulations Complete and Accepted by the SHPO – Date of SHPO letter: _____	
11.	<b>Has compliance with Section 106 been met?</b> <input type="checkbox"/> YES <input type="checkbox"/> NO If NO, explain why:	

**CDBG ENVIRONMENTAL ASSESSMENT**  
**FLOODPLAIN MANAGEMENT**  
(E.O. 11988, 24 CFR Part 55)

<p>1. Floodplain Management applies to projects involving <u>ANY</u> of the following - check <u>all</u> that apply:</p> <ul style="list-style-type: none"><li><input type="checkbox"/> Acquisition of land or buildings</li><li><input type="checkbox"/> New Construction</li><li><input type="checkbox"/> Substantial Rehabilitation (i.e., modifications and improvements to buildings where rehabilitation costs exceed 50% of pre-rehabilitation value of building or where residential density increases more than 20%)</li><li><input type="checkbox"/> Expanding the footprint of buildings or structures</li><li><input type="checkbox"/> Infrastructure Improvements – Water, Sewer, Drainage, Roads, and Ditches</li><li><input type="checkbox"/> Other activities affecting land use _____</li></ul>	
<p>2. Is the project located in a <i>100-year floodplain or designated floodway?</i> <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p><b>Mark project area clearly on a FEMA map, if the area has been mapped by FEMA.</b></p> <p><a href="#">FEMA Map Service Center</a> – Click to access map service center</p>	
<p><b>UNMAPPED AREAS:</b> Obtain the best information possible from one or more of the following qualified sources: (Check all sources used and attach all documentation received.)</p> <ul style="list-style-type: none"><li><input type="checkbox"/> <a href="#">CARES Internet Mapper</a> – Click to access mapper</li><li><input type="checkbox"/> <a href="#">FEMA Mapping Information Platform</a> – Click to access mapper</li><li><input type="checkbox"/> Project Engineer – Written explanation</li><li><input type="checkbox"/> Community Floodplain Administrator – Written statement</li><li><input type="checkbox"/> US Army Corps of Engineers - Correspondence</li><li><input type="checkbox"/> US Geological Survey Maps</li><li><input type="checkbox"/> USDA Natural Resources Conservation Service – Soil Maps</li><li><input type="checkbox"/> Regional Planning Commission/Regional Council of Governments Mapping – Maps/Written statement</li><li><input type="checkbox"/> Local flood control or levee district – Maps/Written statement</li><li><input type="checkbox"/> Other _____</li></ul>	
<p>3. Does the project involve a <b>Critical Action</b> (nursing home, hospital, data storage facilities, etc)? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>If YES, is the project located in a 500-year floodplain? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p><b>If YES to # 2 and/or #3, skip to #5. If NO to #2 and #3, go on to #4.</b></p>	
<p>4. You have determined the project is <u>NOT located in a floodplain</u>. Document the determination by completing the following: <b>Source Documentation:</b> Attach FEMA Firmette Map or Flood Insurance Rate Map and mark the site of the project location on the map.</p> <p><b>Community Name/Number:</b> _____</p> <p><b>Map Panel and Date of Map Panel:</b> _____</p>	
<p>5. You have determined your project <u>IS located in a floodplain/wetland</u>. The HUD 8-Step Decision Making Process is required. Complete and attach the following 8-Step Decision Making form and all supporting documentation.</p> <p>* Refer to the Preliminary Engineering/Architectural Report and/or consult with the engineer/architect for assistance. Consultation with environmental professionals may be appropriate.</p>	

## **CDBG ENVIRONMENTAL ASSESSMENT**

### **FLOOD INSURANCE**

#### **(The Flood Disaster Protection Act of 1973, 24 CFR 58.6)**

The threshold for flood insurance requirements is included in *The Flood Disaster Protection Act of 1973*, as amended, requiring property owners purchase flood insurance for buildings located within *Special Flood Hazard Areas (SFHA)* when Federal financial assistance is used to acquire, repair, improve, or construct a building. Owners of HUD-assisted properties located within Special Flood Hazard Areas (SFHA) must purchase and maintain flood insurance protection as a condition of approval of any HUD financial assistance for proposed property acquisition, rehabilitation, conversion, repair or construction. Compliance with mandatory flood insurance purchase does not constitute compliance with floodplain management requirements discussed under Floodplain Management of this document.

Information on the location of SFHA's is available on Flood Insurance Rate Maps (FIRM) published by the Federal Emergency Management Agency (FEMA).

1. Is any portion of the project in a SFHA as determined by a FEMA Flood Insurance Rate Map?  YES  NO

2. Does the Responsible Entity participate in the National Flood Insurance Program (NFIP)?  YES  NO

*Access the following website, print the appropriate page and attach to document if the community is listed or not listed in the NFIP.*

<http://www.fema.gov/cis/MO.pdf> -MO communities participating in the NFIP

3. Is the Responsible Entity in good standing with the National Flood Insurance Program?  YES  NO

If the Responsible Entity is not in good standing with the NFIP or does not participate in the NFIP, and any portion of the project lies within a SFHA, flood insurance must be acquired, in addition to implementing project modifications and/or alternatives prior to the completion of any work, regardless of funding source, in order to comply with HUD and FEMA regulations and CDBG program requirements.

CDBG Grant - Owners of buildings included in the project and located in a floodplain must maintain flood insurance for the life of the building regardless of transfer of ownership.

CDBG Loan – Owners of buildings included in the project and located in floodplain must maintain flood insurance for the term of the loan, in the amount of the loan.

**A copy of the owner's flood insurance policy must be attached as documentation if one or both of the above apply.**

4. Is the Responsible Entity in compliance with National Floodplain Insurance requirements?  YES  NO

**If YES, attach a copy of the local jurisdiction's floodplain ordinance and permitting process that are required in order to participate in the NFIP.**

#### **MO State Emergency Management Agency (SEMA)**

2302 Militia Drive, PO Box 116

Jefferson City, MO 65102

573/526-9135 – Dale Schmutzler, Floodplain Management Officer, NFIP

[Dale.schmutzler@sema.dps.mo.gov](mailto:Dale.schmutzler@sema.dps.mo.gov)

<http://www.hud.gov/offices/cpd/environment/review/floodinsurance.cfm> -HUD Flood Insurance Information

<http://www.hud.gov/offices/cpd/environment/review/qa/floodinsurance.cfm>-Flood Insurance Q&A

[http://www.fema.gov/plan/prevent/floodplain/about\\_the\\_nfip.shtml](http://www.fema.gov/plan/prevent/floodplain/about_the_nfip.shtml) - FEMA NFIP

<http://www.floods.org/Certification/certlist.asp#MO> - MO List of Floodplain Managers (Subject to change)

#### **Additional Information/Explanations:**

## **CDBG ENVIRONMENTAL ASSESSMENT**

### **WETLANDS PROTECTION** **(E.O. 11990, 24 CFR Part 55)**

Executive Order 11990 requires all Federal agencies avoid impacts to wetlands, direct or indirect, by discouraging construction in wetlands whenever there is a practicable alternative.

1. Compliance with Wetlands Protection applies to Land Acquisition and/or Construction related to any of the following. Check all that apply to the project:
  - Buildings and structures
  - Roads
  - Sewer and water systems
  - Storm drains and ditches
  - Flood control systems
  - Dredging, filling, excavation (includes rehabilitation to existing buildings and structures)
  - Expansion or altering the footprint of buildings or structures
2. Attach a color wetlands map with the project site clearly marked. Acceptable mapping sites are listed below. Ensure the map is zoomed in close enough to exhibit details of the surrounding project area. **Maps listed are for preliminary screening purposes only.**  
<http://www.fws.gov/wetlands/Data/mapper.html> – FWS Wetlands Mapper (National Wetlands Inventory)  
<http://ims.missouri.edu/moims/step1.aoi/countylist.asp> – UMC CARES GIS and Internet Mapping
3. Are there drainage ways, streams, creeks or rivers on or near the project site?       YES     NO  
If yes, or the project is located in or near a wetlands, submit a cover letter with detailed project description, project location including township, range and section, clear and detailed map, and preferably color photographs of the area to:

<b>U.S. Fish &amp; Wildlife Service</b> Columbia Ecological Services Field Charlie Scott, Field Supervisor 101 Park DeVille Drive, Suite A Columbia, MO 65203-0057 Phone-573/234-2132	<b>U.S. Army Corps of Engineers</b> Contact your regions District Office for potential Jurisdiction Determination at the following website: <a href="http://www.mvs.usace.army.mil/ConOps/permits/permits.html">http://www.mvs.usace.army.mil/ConOps/permits/permits.html</a>
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**If a wetlands delineation is needed, contact NRCS:**  
**Wetlands Delineation Contacts** <http://www.mo.nrcc.usda.gov/contact/>

4. **Is the project in a designated wetland, as indicated by qualified sources?**       YES     NO

\*\* If Yes, the HUD 8-Step Decision Making Process is required

5. **Permitting Requirements:** Does the project require Permitting by US ACE? If yes,       YES     NO  
attach all documentation.

**Check all source documentation applicable and attach: Maps must be in color.**

- Color FWS Map(s)
- Color maps from other qualified agencies. Specify: \_\_\_\_\_
- Consultation correspondence (letters, e-mails, faxes, documented phone calls)
- HUD 8-Step Decision Making Process documentation
- US Fish & Wildlife Service Clearance
- US Army Corps of Engineers Clearance
- Other qualified agency clearance(s): \_\_\_\_\_
- Permitting Information
- Other sources of documentation: \_\_\_\_\_

**Additional Information/Explanations:**

## CDBG ENVIRONMENTAL ASSESSMENT

N/A

### HUD 8-STEP DECISION MAKING PROCESS

(Decision Making Process Under E.O. 11988 and 24 CFR 55.20)  
(*Attach additional pages as necessary for any step in the process.*)

#### **STEP 1 – Determine if the proposed action/project is located in a 100-year floodplain/wetland or in a 500-year floodplain/wetland if project is considered a critical action.**

- Is the Project located in a FEMA-designated floodway or a 100 or 500-year floodplain?
- Floodway. **STOP. Part 55 prohibits federal financial assistance for use in a floodway.** The only exceptions are functionally dependent uses such as a port facilities, floodwalls, bridges, levees, dams, etc.
  - 100 year floodplain (Zone A or V)
  - 500 year floodplain [Zone B or X (shaded)]

- Attach the FEMA Firmette Map or Flood Insurance Rate Map and complete the following:

**Community Name/Number:** \_\_\_\_\_

**Map Panel and Date of Map Panel:** \_\_\_\_\_

(Continue to Step 2 if the area has been mapped)

- Check here if the area has not been mapped by FEMA, and continue below.

*If the area has not been mapped by FEMA*, obtain and attach the best information available from one or more of the following accepted sources (check all sources used):

- Community Flood Administrator - <http://www.floods.org/Certification/certlist.asp#MO>
- US Army Corps of Engineers
- US Geological Survey Maps
- USDA Natural Resources Conservation Service Soils Map
- Regional Planning Commission/Regional Council of Governments Mapping
- Local flood control or levee district
- Other \_\_\_\_\_

- Is the HUD 8-Step being completed for  Floodplains and Wetlands  Floodplains  Wetlands

- What are the dimensions of the project area(s) located in the floodplain?

#### **STEP 2 – Involve the public in the decision-making process.**

##### **Publish the Early Public Notice**

The Early Public Notice is a notice of the proposal to consider an action in a floodplain/wetland. The notice must be published in a non-legal section of the newspaper of widest circulation. *A minimum 15-day comment period begins the day after publication.* Indicate if comments were received. If the RE receives any written comments, the RE must respond in writing, resolve any issues and provide copies to CDBG.

**Attach a copy of the notice, affidavit of publication and proof of distribution to this form.**

**Name of Newspaper:** \_\_\_\_\_

**Date of publication:** \_\_\_\_\_

**Were adverse comments in writing received:**

(If YES, attach all correspondence.)

YES  NO

## **CDBG ENVIRONMENTAL ASSESSMENT**

### **STEP 3 – Evaluate alternatives to locating the proposed action in a floodplain.**

Explain in detail each of the following to determine if the floodplain and/or wetland can be avoided:  
(Attach additional pages as necessary)

- a. Identify and explain if alternative sites suitable for the project exist outside the floodplain/wetland:  
*(Refer to the engineer/architect, or engineering/architectural report for alternatives. Other buildings and/or sites and No Action must be evaluated.)*

- b. Identify and explain if feasible alternative actions/methods may be used to fulfill the identical project objective: *(Can different or modified actions with less chance for impact be used to fulfill the same project?)*

- c. Is there a storm/flood-related outdoor emergency warning system/siren serving the area in which the project is proposed?  Yes  No

If no, explain how project beneficiaries are notified of an emergency situation:

- d. Does an adequate evacuation plan exist, or will an evacuation plan be implemented by the facility and/or the community?  Yes  No

If no, explain how the lack of an evacuation plain will impact project beneficiaries:

- e. Are ingress and egress at the project site above or outside of the floodplain?  Yes  No

If no, explain how beneficiaries will be evacuated and how emergency response vehicles will access the site during flooding events:

- h. Is there at least one route/road to the project site above or outside the floodplain to allow access by emergency response vehicles?  Yes  No

If no, explain how emergency response vehicles will access the site during flooding events:

- g. Identify and explain if threats to lives and property and/or adverse impacts to the floodplain/wetland *outweigh* benefits of the proposed project: *(Explain if impacts are too severe to human and natural environments to complete the project.)*

## **CDBG ENVIRONMENTAL ASSESSMENT**

### **STEP 4 – Identify indirect and direct impacts associated with occupying or modifying the floodplain/wetland.**

If the RE determines the only practicable alternative for the project/action is occupying or modifying the floodplain/wetland, then impacts to lives and properties and impacts to floodplains and/or wetlands must be identified. If the RE determines an alternative site for the project exists out of the floodplain/wetland, project activities may still have an impact on the nearby floodplain/wetland and must also be identified to determine ways to minimize harm.

**Explain in detail how the project/activity will affect the floodplain/wetland regarding the following types of impacts:**

Positive or beneficial impacts to the floodplain/wetland, both direct and indirect:

Negative or harmful impacts to the floodplain/wetland, both direct and indirect:

Concentrated impacts – at or near the floodplain/wetland:

Dispersed or remote impacts occurring distant from the floodplain/wetland:

Short-term impacts to the floodplain/wetland (temporary impacts occurring immediately after an action lasting a short while):

Long-term impacts to floodplain/wetland (impacts occurring during or after an action that persist for considerable time or indefinitely):

Explain if the project encourages development in the floodplain/wetland:

## **CDBG ENVIRONMENTAL ASSESSMENT**

**STEP 5 – Identify mitigation measures to minimize impacts to and preserve benefits of the floodplain/wetland.**

*(Consult project engineer/architect and/or engineering/architectural report.)*

- a. Explain how actions will be designed and/or modified to minimize harm to, or within, the floodplain/wetland.

- b. Explain how actions will be designed and/or modified to restore and/or preserve as much of the natural and beneficial floodplain/wetland values as possible.

- c. Is there a local floodplain ordinance, including floodplain development permitting process?  Yes  No

If Yes, attach a copy of the local floodplain ordinance, floodplain permit *application* submitted to the local jurisdiction, and a copy of the floodplain development *permit* issued by the local jurisdiction.

- d. Is flood insurance required for the project?  Yes  No

If Yes, attach a copy of the flood insurance policy.

- e. Is future development restricted on the project site(s)?  Yes  No

If Yes, attach a copy of the property deed restriction.

## **CDBG ENVIRONMENTAL ASSESSMENT**

### **STEP 6 – Re-evaluate alternatives identified in Step 3. Take into account all identified impacts and mitigation measures.**

- a. Explain whether it is possible to modify or relocate the project/activity and why.

- b. If there are no alternatives, explain why the project/activity should occur. Consider impacts determined in Step 4 and minimization efforts identified in Step 5.

## **CDBG ENVIRONMENTAL ASSESSMENT**

### **STEP 7 – If re-evaluation results in no practicable alternative to relocate the project out of the floodplain/wetland, the decision must be made public.**

#### **Publish the Notice of Explanation**

The Notice of Explanation must include reasons for locating the project/activity in the floodplain/wetland, all alternatives considered, and all mitigations measures planned.

The notice must be published in a non-legal section of the newspaper of widest circulation. A *7-day comment period begins the day after publication*. If the RE receives written comments, the RE must respond in writing, resolve issues and provide copies to CDBG. This notice must NOT be published concurrently with the Combined Notice. Attach a copy of the notice, affidavit of publication and proof of distribution to this form.

**Name of Newspaper:** \_\_\_\_\_

**Date of publication:** \_\_\_\_\_

**Were adverse comments in writing received:**  YES  NO  
(If YES, attach all correspondence.)

### **STEP 8 – Implement the Project.**

Project implementation can only proceed provided compliance has been demonstrated with respect to all of the prior steps and provided the project has been approved by the State in accordance with HUD regulation 24 CFR Part 58.

The Responsible Entity has a continuing responsibility to ensure that the mitigating measures identified in Step 7 are implemented. Mitigation measures must be incorporated, as appropriate, in project contracts and all related agreement documents.

**Are there any Conditions for Approval specific to floodplains/wetlands?**  Yes  No

**If Yes, list all Conditions for Approval identified in the HUD 8 Step Process specific to floodplains and/or wetlands.**

#### **Additional Information/Explanations:**

**CDBG ENVIRONMENTAL ASSESSMENT**

**COASTAL ZONE MANAGEMENT**

**There are no Coastal Zones in Missouri.**

**Compliance Documentation:** Print documentation from website and attach.

<http://coastalmanagement.noaa.gov/mystate/welcome.html>

## **CDBG ENVIRONMENTAL ASSESSMENT**

### **AIRPORT HAZARDS**

#### **(Clear Zones and Accident Potential Zones)**

#### **24 CFR Part 51 Subpart D**

HUD funds may not be used for assistance, subsidy, or insurance for construction, land development, community development, or redevelopment designed to make land available for construction, or rehabilitation that significantly prolongs the life of existing facilities in designated Runway Protection Zones (RPZ) at civil airports or Protection Zones (PZ) at military airfields and Accident Potential Zone (APZ) at military airfields, except where written assurances are made that the project proposed for development will not be frequently used by people, and where written assurances are provided by the airport operator indicating no plans exist to purchase the property as part of a RPZ, PZ, or APZ acquisition program.

If CDBG funds are proposed for development in proximity to these areas, documentation must be provided that the program will comply with the requirements referenced above.

1. Do project activities, regardless of funding source, involve new construction, major rehabilitation, change of land use, increases in residential density, or acquisition of real property?       YES     NO
2. Is the project site located within 2,500 feet of the end of a civil airport runway or within 15,000 ft (2.8 miles) from the end of a military airfield?       YES     NO
3. If the answer to either question is NO, provide support documentation as proof of compliance.
4. If the answer to both questions is YES, documentation must be attached indicating compliance with 24 CFR Part 51 Sub-part D. Contact the applicable airport operator for dimensions of the affected zones and provide documentation that the project is located outside the affected zones.

#### **List attached compliance documentation:**

**Acceptable Compliance Documentation:** Clearly indicate the project area on maps. Maps must be in color. Print lists of major airports.

#### **Maps showing project location in relation to airport/airfield:**

<http://www.airnav.com/airports/> - AirNav.com – Interactive listing of airports by state and name or city

<http://ims.missouri.edu/moims/step1.aoi/countylist.asp> CARES Interactive Maps, select ‘Transportation’ map layer

<http://www.aircraft-charter-world.com/airports/northamerica/missouri.htm> - Civil/military airports listed by state.

#### **Additional Information/Explanations:**

## **CDBG ENVIRONMENTAL ASSESSMENT**

### **ENDANGERED SPECIES**

#### **(Endangered Species Act (ESA), Section 7 - 50 CFR Part 402)**

The ESA mandates that Federally-assisted activities not jeopardize the existence of plants and animals listed or proposed for listing on the endangered species list. Activities proposed for areas harboring such species must avoid adversely modifying or destroying their habitat.

<http://www.fws.gov/laws/lawsdigest/esact.html> - Endangered Species Act of 1973

**If the project involves acquisition, new construction, site clearance, or public infrastructure improvements contact the following agencies. Attach all related documentation.**

**U.S. Fish & Wildlife Service**  
Columbia Ecological Services Field  
Charlie Scott, Field Supervisor  
101 Park DeVille Drive, Suite A  
Columbia, MO 65203-0057  
Phone: 573-234-2132  
FWS Website: <http://www.fws.gov/endangered>

**MO Department of Conservation (MODOC)**  
Attention Policy Coordination  
PO Box 180  
Jefferson City, MO 65102  
573-522-4115  
MODOC Website: <http://mdcgis.mdc.mo.gov/heritage/>

#### **Compliance:**

**Agency Requirements:** Are conditions/mitigation measures required by any agency?  YES  NO

**If Yes,** 1) Explain agency requirements 2) Explain if they are feasible in relation to project goals 3) Describe the mitigation plan to address requirements and if mitigation measures are required for completion *prior* to beginning any physical activity, etc: (Attach additional pages as needed.)

**Agency Recommendations Related to Site:**  No recommendations provided by agencies

Check all source documentation applicable and attach:

- US Fish and Wildlife clearance
- MO Department of Conservation clearance
- Consultation correspondence (letters, e-mails, faxes, documented phone calls)
- Permitting Information
- Other sources of documentation: \_\_\_\_\_

- Compliance has been met.**

## **CDBG ENVIRONMENTAL ASSESSMENT**

### **WILD AND SCENIC RIVERS** **(Wild and Scenic Rivers Act of 1968, 36 CFR Part 297)**

The National Wild and Scenic River System was created to conserve scenic, recreational, and fish and wildlife values of certain rivers. Wild and Scenic Rivers Act applies to rivers and segments designated by Congress or States. Information is found at the websites below.

[http://www.nature.nps.gov/water/Wild\\_Scenic\\_Rivers/index.cfm](http://www.nature.nps.gov/water/Wild_Scenic_Rivers/index.cfm) - Wild & Scenic Rivers Act

[http://www.access.gpo.gov/nara/cfr/waisidx\\_00/36cfr297\\_00.html](http://www.access.gpo.gov/nara/cfr/waisidx_00/36cfr297_00.html) - Wild & Scenic Rivers Act, 36 CFR Part 297

#### **Determine if any proposed actions will occur within one mile of a Wild or Scenic River.**

**Federally Recognized Wild and Scenic Rivers:** Missouri has one Federally-recognized wild and scenic river, the *Eleven Point River*. Print website information and attach: <http://www.rivers.gov/wildriverslist.html#mo> - Click on MO

1. Is the project site within 1 mile of the Eleven Point River?  YES  NO
- If No, attach website information and check the box below indicating compliance for Federally recognized wild and scenic rivers.
  - If Yes, and has potential for adverse impacts, contact the following and attach all related documentation:  
U.S. Fish & Wildlife Service  
Columbia Ecological Services Field  
Charlie Scott, Field Supervisor, Rick Hanson, or Heidi Kufka  
101 Park DeVille Drive, Suite A  
Columbia, MO 65203-0057  
Phone: 573-234-2132  
Are mitigation measures required by FWS?  YES  NO  
If Yes, explain requirements, if feasible for project goals, description of mitigation plan, if mitigation measures are to be complete before starting any physical activity, etc: (attach additional pages as necessary)
- c. Has compliance been met for FEDERALLY recognized wild and scenic rivers?  YES  NO

#### **State Recognized Wild and Scenic Rivers:**

Nationwide Rivers Inventory (NRI) is a list of river segments in the U.S. with one or more "outstandingly remarkable" natural or cultural values of more than local or regional significance. All federal agencies must avoid or mitigate actions adversely affecting one or more NRI segments.

2. Is the project site within 1 mile of a State designated wild or scenic river?  YES  NO
- Attach website information and check the box below indicating compliance is met.  
<http://www.nps.gov/ncrc/programs/rta/nri/states/mo.html> - National River Inventory, MO segments
  - If a designated segment lies within the jurisdictional County of the project site, map the river in relation to the project site to determine potential for impacts.
  - If YES, and there is potential for adverse impacts, contact the following and attach all related documentation:  
National Park Service  
Environmental Compliance  
Midwest Regional Office  
601 Riverside Drive  
Omaha, Nebraska 68102 Phone: 402/661-1848  
Are mitigation measures required by the National Park Service?  YES  NO  
If Yes, explain requirements, if feasible for project goals, description of mitigation plan, if mitigation measures are to be complete before starting any physical activity, etc: (attach additional pages as necessary)
- d. Has compliance been met for STATE recognized wild and scenic river segments?  YES  NO

## **CDBG ENVIRONMENTAL ASSESSMENT**

### **FARMLAND PROTECTION**

#### **(Farmland Protection Policy Act, 7 CFR 658)**

Purpose of the Farmland Protection Policy Act (FPPA) is to minimize unnecessary and irreversible conversion of farmland to non-agricultural uses.

FPPA is NOT applicable to lands already in or committed to urban development or water storage, already zoned non-agricultural, or containing over 40 structures per square mile.

FPPA IS applicable to land designated as *Prime* or *Unique* agricultural lands by USDA Natural Resources Conservation Services, including forestland, pastureland and cropland, and farmland of statewide or local importance.

#### **Compliance:**

**Does the project involve new construction, acquisition or disposition of agricultural land, pasture or forested land that would result in development or conversion for non-agricultural use?**

- No**      **Indicate current land use and/or zoning classification of proposed project site:**

Describe current land use of the project site and surrounding/adjacent parcels of the project site. Explain compatibility of proposed project activities with current land use. Attach support documentation for current zoning classification and/or land use such as ordinances, and color photos and maps. Attach additional pages as necessary:

- Yes**      **Complete the *Farmland Conversion Impact Rating Form AD 1006* at the following website: [http://www.nrcs.usda.gov/programs/fppa/pdf\\_files/AD1006.PDF](http://www.nrcs.usda.gov/programs/fppa/pdf_files/AD1006.PDF). Submit the form to the USDA NRCS office *in your region*. Contact information for NRCS offices at the following website: [http://www.mo.nrcs.usda.gov/technical/soils/tss/out/nrcs\\_tss\\_121709.pdf](http://www.mo.nrcs.usda.gov/technical/soils/tss/out/nrcs_tss_121709.pdf).**

Describe the outcome of the NRCS rating, any conditions or mitigation measures required, and the feasibility of these requirements in relation to project goals. Attach all related documentation:

Related Website: <http://ims.missouri.edu/moims/step1.aoi/countylist.asp> - UMC Cares Map Room.  
If using a map for support documentation, print in color.

The map site listed above is for preliminary screening purposes only.

## **CDBG ENVIRONMENTAL ASSESSMENT**

### **NOISE CONTROL**

#### **(24 CFR Part 51, Sub-part B)**

The purpose of the HUD Noise Regulation is to encourage suitable separation between noise sensitive land uses and major noise sources. It establishes standards, requirements, and guidelines regarding noise control and abatement for HUD assisted projects. If other funding sources are assisting the project and also require noise control, comply with the strictest noise standards.

1. Explain potential noise associated with a) construction and b) completed project. Attach additional pages as needed:

2. Is the proposed project a noise sensitive land use (residential, school, day care center, community center, library, hospital, nursing home, auditorium, health clinic, shelter, etc)  YES  NO

3. Is the proposed project located within proximity of any of the following major noise sources?  YES  NO

If yes, check all that apply:

Within 1,000 feet of a major roadway (high volume traffic, heavy truck traffic, etc.)

Within 3,000 feet of a railroad

Are there any designated quiet zones in the project area?  YES  NO

If Yes, explain and attach related documentation:

Within 15 miles of an airport

Other significant noise sources (industrial/manufacturing facilities, power generating stations, etc.)

4. Is the project a major noise source within proximity of a noise sensitive use?  YES  NO

5. If Yes to both #2 and #3, or Yes to #4, a Noise Assessment is required. Refer to the 'HUD Noise Guidebook' and the DNL Calculator at the websites below. Attach all related documentation.

<http://www.hud.gov/offices/cpd/environment/review/noise.cfm>

<http://www.hud.gov/offices/cpd/environment/dnlcalculator.cfm>

Please note that the use of a noise meter may only be used when there is insufficient or inadequate data. See page 101 - 102 of 'HUD Noise Guidebook' as to when it is appropriate to use measurements from a noise meter.

6. If a Noise Assessment was required and completed, attach the assessment and indicate the outcome:  N/A

Exterior Noise is determined: (DNL = Day Night Average Sound Level)

ACCEPTABLE - Noise is determined 65 DNL or less

NORMALLY UNACCEPTABLE - Noise exceeds 65 DNL up to 75 DNL

UNACCEPTABLE – Noise exceeds 75 DNL

Interior Noise is determined:

ACCEPTABLE – Noise is determined 45 DNL or less

UNACCEPTABLE – Noise exceeds 45 DNL

If noise levels were determined NORMALLY UNACCEPTABLE:

Noise attenuation activities are feasible to meet acceptable internal and external noise levels. Attach analysis of mitigation measures, including construction specifications.

An alternative project site will be used.

Noise attenuation activities are NOT feasible to meet acceptable internal and external noise levels and there are no alternative sites - the project is rejected.

If noise levels were determined UNACCEPTABLE:

Noise attenuation activities are feasible to meet acceptable internal and external noise levels. Attach analysis of mitigation measures, including construction specifications.

An alternative project site will be used.

No alternative project site is available. The project is rejected.

## **CDBG ENVIRONMENTAL ASSESSMENT**

### **EXPLOSIVE AND FLAMMABLE OPERATIONS**

#### **(24 CFR Part 51 Sub-part C)**

HUD-assisted projects must be assessed for the presence of facilities presenting an explosive or flammable hazard to project sites in an effort to prevent injury to occupants and damage to buildings from industrial accidents.

1. Does the proposed project involve any of the following *residential* activities:  YES  NO  
conversion of non-residential land to residential land use, rehabilitation where unit density is increased, new housing construction, or vacant buildings made habitable?
2. Does the proposed project entail institutional, recreational, commercial, or industrial use, including open spaces, where people may congregate?  YES  NO
3. Has a documented site visit been completed? Consultation with a qualified individual may also be required. Attach all correspondence and related documentation. Print and attach information from Petroleum Storage Tank Insurance Fund (PSTIF).  
<http://www.database-view.com/pstif/>  YES  NO

If NO to #1 and #2, document that no Explosive or Hazardous Operations are relevant to the project by attaching the site visit and other related documentation as indicated below under "Acceptable Source of Information".

4. If YES to #1 or #2 Is the project within sight of or within one (1) mile of stationary hazardous facilities that store, handle, or process chemicals or petrochemicals of an explosive or flammable nature, such as liquid propane, gasoline or other above-ground storage tanks, particularly when there are no intervening topography, existing structures or barriers, are unsuitable for new development or substantial rehab projects.  YES  NO

Mobile tanks (including railroad cars), buried tanks, and tanks with less than 100-gallon capacity and having common fuels are excluded.

If YES, **Acceptable Separation Distance (ASD) must be determined**. Refer to the 'Siting of HUD-Assisted Projects Near Hazardous Facilities Guidebook' and the Acceptable Separation Distance Calculator at the websites below.

Attach all related documentation.

<http://www.hud.gov/offices/cpd/environment/training/guidebooks/hazfacilities/>

<http://www.hud.gov/offices/cpd/environment/asdcalculator.cfm>

#### **Acceptable Sources of Information:**

- Documented visit of site and surrounding area, accompanied by color photographs for smaller above storage tanks and an aerial map for larger above storage tanks.
- Maps indicating distances of project site(s) to any explosive and hazardous operations
- Fire marshal, fire department, or fire prevention agencies
- City, county, or project engineer
- Documented interviews with property owners and/or companies operating aboveground tanks
- Current aboveground tank inspection reports
- Current color U.S.G.S topographic map
- Color survey land use maps

#### **Additional Information/Explanations:**

## CDBG ENVIRONMENTAL ASSESSMENT

### WATER QUALITY

#### Water Supply and Ground Water

#### (Safe Drinking Water Act of 1974, Clean Water Act)

The Safe Drinking Water Act (SDWA) protects public health by regulating the nation's public drinking water supply. The law requires many actions to protect drinking water and its sources: rivers, lakes, reservoirs, springs, and ground water wells. SDWA applies to every public water system in the U.S, but does not regulate private wells serving fewer than 25 people.

<http://www.epa.gov/safewater/sdwa/index.html> -Safe Drinking Water Act of 1974

<http://www.epa.gov/watertrain/cwa/> -Clean Water Act

1. a. Is there an existing municipal or public water supply adequate to serve the project?  YES  NO  
b. Is the water supply safe and free of contamination?  YES  NO

Explain. Attach inspection reports, and/or letters, or documented telephone calls from Public Water Supply District or comparable source. [http://www.epa-echo.gov/echo/compliance\\_report\\_sdwa.html](http://www.epa-echo.gov/echo/compliance_report_sdwa.html) - EPA Safe Drinking Water Act Search Page.

2. Will any waterways be affected by the project?  YES  NO

Explain, and identify on a color map, any rivers, lakes, streams, or other water bodies that may receive effluent discharges from the project site that could impact potable water. Attach other documentation from qualified sources.

3. Explain construction best management practices, construction staging controls, permitting, and/or local requirements for protecting groundwater during construction activities.

4. Does the project entail acquisition of undeveloped land, changes in land use, or new construction?  YES  NO

If YES, will the project draw water from a Sole Source Aquifer?

YES  NO

Print and attach supporting documentation. EPA-designated sole source aquifers are listed at:

[http://www.epa.gov/safewater/sourcewater/pubs/qrg\\_ssamap\\_reg7.pdf](http://www.epa.gov/safewater/sourcewater/pubs/qrg_ssamap_reg7.pdf)

## **CDBG ENVIRONMENTAL ASSESSMENT**

**5. WELLS:**

- a. Will the project involve drilling a well?  YES  NO  
If YES, is the location subject to rapid water withdrawal problems that will change depth of the water table?  YES  NO  
(Attach county health department inspection reports, letters and/or documented telephone calls.)
- b. Will the project use a private well for its water supply?  YES  NO  
If YES:  
Has the source been tested and free of contamination?  YES  NO  
(Submit most current inspections/reports.)  
Are septic systems present on or around the project site and have they been properly installed and maintained? If YES, submit documentation.
- c. Do one or more wells exist on the project site?  YES  NO  
If YES, will wells remain in use for the project?  YES  NO
- d. Does the project require abandoning/decommissioning one or more wells? If yes, contact:  
MO DNR Wellhead Protection Section  
PO Box 25  
Rolla, MO 65402  
For questions, contact (573)368-2165.

Public Water Supply Notification: If any household will disconnect from a private well to connect to a municipal water system or Public Water Supply District as part of the CDBG-assisted project, wells must be plugged in accordance with *10 CSR23-3.110 – Plugging Wells*.  N/A

Contact the DNR Public Drinking Water Program, Wellhead Protection Section before construction begins on any public water supply well to determine if it is a non-community or community supply and if an engineer is required to evaluate the supply.

**Documentation:** Attach documented site visits and/or interviews with DNR, property owners, county health department, etc.

**For Further Information:**

- <http://www.dnr.mo.gov/env/wpp/permits/index.html> - DNR - Permitting  
[http://www.dnr.mo.gov/DWW/Maps/Map\\_Template.jsp](http://www.dnr.mo.gov/DWW/Maps/Map_Template.jsp) - DNR County Interactive Water Systems Data  
<http://www.dnr.mo.gov/env/wrc/surfh2o.htm> - DNR- Surface Water  
<http://www.dnr.mo.gov/env/wrc/grdh2o.htm> - DNR - Ground Water  
<http://www.dnr.mo.gov/geology/geosrv/wellhd/> - DNR Wellhead Protection Section  
<http://cfpub.epa.gov/surf/locate/index.cfm> - EPA - Locate Your Watershed

**Additional Information/Explanations:**

## **CDBG ENVIRONMENTAL ASSESSMENT**

### **AIR QUALITY**

**(Clean Air Act 42 U.S.C. 7400 Section 176 & 171, 40 CFR Parts 6, 51, 93)**

#### **Federal, State and Local Compliance** (Attach additional pages as necessary)

1. Is the project in an EPA-designated non-attainment or maintenance area for one or more of the six criteria pollutants regulated under the Clean Air Act? Attach documentation from EPA:

<http://www.epa.gov/oar/oaqps/greenbk/ancl.html#MISSOURI>

If Yes, a determination of conformity with the State Implementation Plan (SIP) is required for the project and specific pollutant for which the area was designated a non-attainment or maintenance area. Contact EPA Region VII to determine if the project requires a permit under the SIP.

If Yes, obtain a letter of consistency from EPA proving the project is consistent with the SIP. Provide explanations and attach all correspondence.

2. Does the project require installation and/or operating permits, or indirect sources permit,  YES  NO in accordance with the Clean Air Act? <http://www.dnr.mo.gov/forms/#AirPollution> – DNR Air Permitting

If Yes, explain and attach all permitting documentation:

3. Are there local air pollution rules or policies for controlling fugitive dust, and vehicle and equipment emissions during construction activities?  YES  NO

Attach any County or City ordinances or codes.

If NO, explain how fugitive dust from equipment and vehicles will be controlled during construction activities?

4.

a. Explain if the completed project could encourage similar developments in the area that could contribute or lead to future violations of air quality standards.

b. Explain the sources, types, and amounts of air emissions produced by the finished project and the mitigation needed to control or alleviate air emissions.

5. Noxious Odors or Fumes: Explain potential for odors and emissions from surrounding area sources and completed project, and mitigation measures required to minimize migration of noxious odors or fumes.

## CDBG ENVIRONMENTAL ASSESSMENT

**Indoor Air Quality** - Provide information on sources and types of air emissions that could affect indoor air quality after construction. Attach additional pages as needed to adequately explain each.

6. **RADON:** Does the project entail new construction or major rehabilitation to any type of building to be used for residential purposes or long term occupancy of people?  YES  NO

If YES, follow the directions below that are applicable to your project:

- a. **Existing Buildings:** A radon test must be conducted prior to construction  N/A  YES  NO improvements. Attach test results.

Do test results reveal radon levels in excess of 4 picocuries?  N/A  YES  NO

If YES, mitigation is required and further testing at project completion.

**Retesting:** If re-testing was necessary, explain if test results reveal radon levels in excess of 4 picocuries. Attach test results and explanations.

- b. **New Construction:** Radon mitigation should be implemented during the project. Radon testing is required after construction is complete.  N/A  YES  NO

If Radon Testing was required: Do test results reveal radon levels in excess of 4 picocuries? Attach test results and any explanations.

[A picocurie = unit of measure for levels of radon gas (pCi)]

<http://www.epa.gov/radon> - EPA Radon Information

<http://www.epa.gov/radon/states/missouri.html> -EPA-Radon in Missouri

7. **MOLD:** Does the project entail rehabilitation of any building with evidence of mold on any building component, or an interior moisture-related problem, including roof leaks or moisture in and around the interior foundation or crawl space? Document a site visit and attach color photos.  YES  NO

If YES, describe how mold will be eliminated and the construction measures required to eliminate source(s) of mold-inducing moisture inside the structure. Attach documentation to support implementation of mold remediation. EPA – Mold <http://www.epa.gov/mold/moldresources.html>

### **Additional Information/Explanations:**

<b>CDBG ENVIRONMENTAL ASSESSMENT</b>		
<b>CONTAMINATION AND TOXIC MATERIALS</b> <b>(HUD Policy on Site Contamination [Sec. 58.5(i)(2)])</b>		
<p>HUD-assisted project sites <i>must</i> be free of contamination and chemicals where a hazard could affect health and safety of occupants or conflict with intended use of the properties. Particular attention should be paid to sites located on or near landfills, industrial sites, gas stations, or other locations with <i>potential</i> for contaminants. If the project involves property acquisition, investigations must be complete and resolved <i>prior</i> to the transfer of property.</p>		
<p><b>Identify Site Contamination:</b> (Acceptable documentation: documented site visit, current historical property data, site inspections, ASTM E1527-05 Standard Phase I Environmental Site Assessment and, if applicable, Phase II and Phase III Assessments, other recent environmental studies, documentation from DNR and EPA staff)</p>		
<p>1. <u>Explain</u> previous uses of the site and <u>attach</u> acceptable documentation: historical research of property, information from prior land owners, deed, title, easements, liens, aerial photographs, etc.</p>		
<p>2. Is fill/borrow material required for the project? <input type="checkbox"/> Yes <input type="checkbox"/> No          If Yes, identify the origin of the fill on a map, and complete and document a site visit – attach all documentation.          Based on the site visit, is there evidence of contamination at the fill/borrow site? <input type="checkbox"/> Yes <input type="checkbox"/> No          If Yes, <input type="checkbox"/> A current ASTM Phase I Environmental Site Assessment is attached.  <input type="checkbox"/> The borrow site is rejected. Evaluate the potential for contamination on any new borrow sites identified. Attach all related documentation.</p>		
<p>3. Does the project anticipate removal of fluorescent light fixtures? <input type="checkbox"/> Yes <input type="checkbox"/> No          If Yes, <u>explain</u> if the ballast in the fixture is identified as a Non-PCB ballast and if the ballast shows signs of leaking.</p>		
<p>4. Does the project anticipate removal of HVAC unit? <input type="checkbox"/> Yes <input type="checkbox"/> No          If Yes, <u>explain</u> if a mercury-filled tipping mechanism (thermostat) will be removed. <u>Explain</u> if there is a Freon-based AC unit to be replaced.</p>		
<b>Professional Environmental Site Assessments to Assess Contamination</b>		
<p>1. Has a current ASTM 1527-05 Phase I Environmental Site Assessment (ESA) been completed? (Generally, a Phase I ESA is considered current for 180 days) <input type="checkbox"/> YES <input type="checkbox"/> NO          Date of Phase I ESA: _____          (Attach the Phase I assessment)</p>		
<p>2. <b>If a Phase I Site Assessment has been completed, answer the following:</b> <input type="checkbox"/> N/A</p>		
<p>a. Does contamination exist or is suspected to exist? <input type="checkbox"/> YES <input type="checkbox"/> NO</p>		
<p>b. Will contaminates affect health and safety of occupants or conflict with the intended use of the site? <input type="checkbox"/> YES <input type="checkbox"/> NO</p>		
<p>c. Is a Phase II Assessment recommended? <input type="checkbox"/> YES <input type="checkbox"/> NO</p>		

## **CDBG ENVIRONMENTAL ASSESSMENT**

<b>CDBG ENVIRONMENTAL ASSESSMENT</b>			
<p><b>3. If a current Phase I ESA has NOT been completed,</b> determine if it is appropriate. A Phase I ESA is required if the potential for contamination exists. Following are questions to determine if a Phase I ESA is needed:</p> <p>a. Based on the current site visit conducted, is there evidence of stained soil or pavement, other than water stains, on or around the project site?      <input type="checkbox"/> YES    <input type="checkbox"/> NO</p> <p>b. Is the project site an EPA Superfund (CERCLA) site or within 1 mile of a Superfund Site?      <input type="checkbox"/> YES    <input type="checkbox"/> NO (Print and attach documentation from EPA's website below) <a href="http://www.epa.gov/region7/cleanup/npl_files/index.htm#Missouri">http://www.epa.gov/region7/cleanup/npl_files/index.htm#Missouri</a> -EPA Superfund (NPL) Sites</p> <p>c. Have hazardous substances, pollutants, or contaminants been stored or dumped on the project site? (A site visit must be documented along with color photos of the site and surrounding area.)      <input type="checkbox"/> YES    <input type="checkbox"/> NO</p> <p>d. Is the project site near an industry or in an industrial area disposing of chemicals and/or hazardous waste?      <input type="checkbox"/> YES    <input type="checkbox"/> NO <a href="http://www.epa.gov/emeedata/em4ef.home">http://www.epa.gov/emeedata/em4ef.home</a> - EPA EnviroMapper or <a href="http://epamap14.epa.gov/ejmap/entry.html">http://epamap14.epa.gov/ejmap/entry.html</a> EPA's EJView</p> <p>e. Is the project site located within 3,000 feet of a toxic or solid waste landfill site?      <input type="checkbox"/> YES    <input type="checkbox"/> NO <a href="http://www.dnr.mo.gov/env/hwp/maps/index.html">http://www.dnr.mo.gov/env/hwp/maps/index.html</a> - DNR Hazardous Waste Map Gallery</p> <p>f. Does the project site contain, or is it adjacent to, aboveground or underground storage tanks?      <input type="checkbox"/> YES    <input type="checkbox"/> NO <a href="http://www.dnr.mo.gov/env/hwp/downloads/hwpet.htm">http://www.dnr.mo.gov/env/hwp/downloads/hwpet.htm</a> - DNR Petroleum Storage Tank Database</p> <p>g. If tanks are present, have any tanks been identified by DNR as leaking?      <input type="checkbox"/> YES    <input type="checkbox"/> NO <b>Contact the DNR Tanks Section: 573-751-6822</b></p> <p>h. Based on the results of the above information, is a Phase I ESA needed?      <input type="checkbox"/> YES    <input type="checkbox"/> NO</p>			
<p><b>4. Is a Phase II Assessment recommended?</b>      <input type="checkbox"/> N/A    <input type="checkbox"/> YES    <input type="checkbox"/> NO</p> <p>If YES, CDBG requires the completion of the Phase II Assessment. Submit the assessment once complete.</p> <p>Date of Phase II assessment: _____</p>			
<p><b>5. Was a Phase II Assessment completed on the site prior to the proposed project (Attach Phase II Assessment)</b>      <input type="checkbox"/> YES    <input type="checkbox"/> NO</p> <p>Date of Phase II assessment: _____</p>			
<p><b>6. Does contamination exist at the project site?</b>      <input type="checkbox"/> YES    <input type="checkbox"/> NO</p> <p>If contamination exists at the site, <u>explain</u> if it is feasible for clean up. Consider the extent of contamination, funds available, if the timeframe for cleanup is feasible within the timeline for project completion, etc. Attach additional pages as needed.</p>			
<p><b>7. Is cleanup of the site required? If YES, explain the plan for cleanup/remediation activities.</b>      <input type="checkbox"/> YES    <input type="checkbox"/> NO</p>			
<p><b>8. Are there conditions for environmental approval?</b>      <input type="checkbox"/> YES    <input type="checkbox"/> NO</p> <p>If YES, explain. Attach additional pages as needed.</p>			
<p><b>More information is found at the following:</b></p> <p><a href="http://www.dnr.mo.gov/env/hwp/index.html">http://www.dnr.mo.gov/env/hwp/index.html</a> - MO DNR Hazardous Waste Program  <a href="http://www.dnr.mo.gov/env/hwp/bvcp/hwpvcp.htm">http://www.dnr.mo.gov/env/hwp/bvcp/hwpvcp.htm</a> - DNR Brownfields/Voluntary Cleanup Program  <a href="http://www.astm.org/cgi-bin/SoftCart.exe/index.shtml?E+mystore">http://www.astm.org/cgi-bin/SoftCart.exe/index.shtml?E+mystore</a> - Association for Standards &amp; Testing Methods (ASTM)</p>			

**CDBG ENVIRONMENTAL ASSESSMENT**  
**ENVIRONMENTAL JUSTICE**  
**(E.O. 12898)**

The purpose of Executive Order 12898 is to direct Federal agencies to identify and address as appropriate “disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority populations and low-income populations”. Generally, this applies to low-income and minority neighborhoods where HUD-assisted projects are proposed for acquisition of existing housing, acquisition of land for development, change in land use, demolition, major rehabilitation, and new construction. At a minimum, Environmental Justice should address the consideration of actual and potential environmental impacts to people of low-income and minority status resulting from the proposed project, and mitigation measures to minimize adverse impacts as much as practicable within the principles of the Executive Order. It is imperative that consistency is maintained throughout the project. Attach additional pages as needed.

1. Explain the planning/ zoning classification and/or land use designation of the project site and immediate area. If zoning does not exist, explain the land use on and around the project area. (Acceptable documentation includes official planning & zoning information, color maps, color photographs, description of project and surrounding areas).

2. Is the proposed project located in or around a low-income or minority neighborhood?  Yes  NO

If Yes, explain how individuals have been made aware of the project and the opportunity for public comment and involvement. Attach all related documentation.

EPA's EJView: <http://epamap14.epa.gov/ejmap/entry.html>

Click “Demographics” on the menu to the right:

- (a) Click “Below Poverty”; choose Block Group, Tract, or County. Print and attach color map.
- (b) Click “Minority”; choose Block Group, Tract, or County. Print and attach color map.

3. Explain all environmental impacts of the proposed project to low-income and minority persons.

Positive Impacts:

Negative Impacts:

4. Explain if project activities could contribute to already adverse conditions to minority and/or low income persons.

**More information is found at the following website:**

<http://www.epa.gov/compliance/environmentaljustice/> - EPA – Environmental Justice

<http://www.epa.gov/lawsregs/laws/eo12898.html> - E.O. 12898

<http://www.hud.gov/offices/cpd/environment/review/justice.cfm> - HUD Environmental Justice

**Additional Information/Explanations:**

## **CDBG ENVIRONMENTAL ASSESSMENT**

### **LAND DEVELOPMENT**

#### **1. Land Use Compatibility**

Explain if the proposed project will conflict with existing uses or future plans for residential, commercial, or industrial uses in the vicinity of the surrounding area of the project.

#### **2. Compatibility and Urban Impacts**

a. Explain if the project will contribute to urban sprawl. (*Sprawl is randomly dispersed, auto-dependent development in rural countryside, outside of compact urban, village centers, along highways.*)

b. Explain if the proposed project will increase or decrease employment opportunities.

c. Explain if the proposed project will displace economic activity from a central business district.

#### **3. Demographic Character Changes**

Explain if the proposed project will significantly alter income, racial or age distribution of the community or neighborhood.

(*For specific census/demographic information for states, counties, and cities:*

[http://factfinder.census.gov/home/saff/main.html?\\_lang=en](http://factfinder.census.gov/home/saff/main.html?_lang=en) American Fact Finder- Enter city, county, zip, or choose state)

## **CDBG ENVIRONMENTAL ASSESSMENT**

4. Erosion (*Attach photos, preliminary engineering/architectural reports, permitting information and/or documentation from qualified professionals.*)
- a. Explain if there is evidence of existing erosion and sedimentation.
  
  - b. If site clearance is required explain if it includes removal of vegetation, the effects, and how erosion will be managed and controlled.
  
  - c. Explain if an erosion control plan is needed and included as part of construction and the construction contract.
5. Soil Suitability/Soil Hazards
- a. Explain any evidence of soil concerns on or adjacent to the project site regarding existing buildings and structures that may be subject to slippage or expansion, collapsible, erodible, sinkholes, etc.  
(Documentation includes site visits, statement from licensed engineer, soil reports, engineering reports)
  
  - b. If soil borings and/or studies have not been completed, explain if they are needed.
  
  - c. Explain if soil conditions are suitable or can be made suitable for proposed activities. (*Submit any completed soil reports and studies and/or statement from licensed engineer.*)

## **CDBG ENVIRONMENTAL ASSESSMENT**

### **6. Seismic Hazards**

Determine and explain the projected earthquake intensities for the County.

<http://sema.dps.mo.gov/EQ%20map.pdf>

7. Is the proposed construction subject to any federal, state or local building codes and regulations?  Yes  No  
If Yes, all building codes and requirements must be attached, and included in construction contract documents.

### **8. Displacement**

Explain if the proposed project will displace individuals, families, or businesses. (*If so, implement the Uniform Relocation Assistance and Real Property Acquisition Act (URA). Attach related documentation.*)  
[http://www.access.gpo.gov/nara/cfr/waisidx\\_04/24cfr42\\_04.html](http://www.access.gpo.gov/nara/cfr/waisidx_04/24cfr42_04.html) - URA regulation for HUD-assisted projects

<http://www.hud.gov/offices/cpd/library/relocation/> - HUD - Acquisition and Relocation Webpage

### **Additional Information/Explanations:**

## **CDBG ENVIRONMENTAL ASSESSMENT**

### **COMMUNITY FACILITIES AND SERVICES**

**Identify all services on a map in relation to the project area and attach.**

**1) Schools, Parks, Recreation, and Social Services**

- a. Will the local schools have the capability to service school age children from the project?  Yes  No
- b. Are parks and play spaces available on site or nearby?  Yes  No
- c. Will social services be available on site or nearby for residents of the proposed project?  Yes  No
- d. Explain if it is necessary to expand services to meet needs of the area as a result of the project.

**2) Emergency Health Care, Fire and Police Services**

- a. Are emergency health care providers located within reasonable proximity to the proposed project?  
 Yes  No Approximate response time: \_\_\_\_\_
- b. Are police services located within reasonable proximity to the proposed project?  
 Yes  No Approximate response time: \_\_\_\_\_
- c. Is fire fighting protection  municipal  volunteer adequate and equipped to service the project?  
 Yes  No Approximate response time: \_\_\_\_\_
- e. Explain if construction activities will hinder emergency response times.
- f. Explain if it is necessary to expand services to meet needs of the area as a result of the project.

## **CDBG ENVIRONMENTAL ASSESSMENT**

### **3) Commercial/Retail and Transportation**

- a. Are commercial/retail services nearby?  Yes  No
  - b. Is the project accessible to employment, shopping and services by  public transportation or  private vehicle?
  - c. Is adequate public transportation available from the project to these facilities?  Yes  No
  - d. Are the approaches to the project convenient, safe and attractive?  Yes  No
  - e. Explain if the completed project is compatible with nearby services, etc.
  - f. Explain if it is necessary to expand services to meet needs of the area as a result of the project.
  - g. Explain if there will be increased traffic as a result of the completed project and if there is adequate infrastructure and traffic control measures to service the area.
  - h. Explain if detours, delays, or road closings are planned and the plans proposed to minimize impacts on traffic.

Refer to the CDBG Environmental Manual, contact the city/county or local RPC, or access the following:

<http://www.smartgrowth.org/default.asp> - Smart Growth

[http://www.modot.org/othertransportation/bike\\_ped/Bikepedintro.htm](http://www.modot.org/othertransportation/bike_ped/Bikepedintro.htm) - MoDOT Bicycle/Pedestrian Program

<http://www.moga.mo.gov/statutes/c304.htm> - MO Statutes on Traffic Regulations

<http://www.modot.org/othertransportation/transit/rptransportation.htm> - MODOT Rural Public Transportation

<http://www.nhtsa.gov/portal/site/nhtsa/menuitem.404f848a3e46fc67ba8e5f8dcba046a0/> - NHTSA - Safe Communities

[http://www.osha.gov/doc/highway\\_workzones/mutcd/6c\\_temporary.html](http://www.osha.gov/doc/highway_workzones/mutcd/6c_temporary.html) - OSHA - Temporary Traffic Control Measures

**CDBG ENVIRONMENTAL ASSESSMENT**

**WASTEWATER**

1. Is there an existing or planned wastewater collection and treatment system adequate to serve the project? Attach the current wastewater permit and whether there are system violations. If system violations exist, explain how they are being addressed.  
(Information should come from the wastewater superintendent, project engineer, and/or DNR.)
- YES    NO
2. If on-site sewage systems are planned, are lot sizes and soils suitable for this use? \*If soil conditions are not addressed in the PER, a written statement by the engineer must be obtained. (Refer to engineering report and/or project engineer for assistance.)
- YES    NO    N/A  
– not in project.

Explain:

More information is contained at the following websites:

<http://www.dnr.mo.gov/env/wpp/permits/index.html> - MO DNR Permitting

<http://www.dhss.mo.gov/Onsite/> - Dept. of Health & Human Services - Onsite Sewage

<http://www.epa.gov/OWM/mab/smcomm/index.htm> - Small Communities, EPA Office of Wastewater Management

**Additional Information/Explanations:**

**CDBG ENVIRONMENTAL ASSESSMENT**

**SOLID WASTE**

1. Describe the types of waste expected as part of construction debris.
  
2. Is there an existing solid waste disposal system adequate to handle the construction debris?       YES       NO       N/A
  
3. Describe the types of solid waste generated by the completed project.       N/A
  
4. Provide the name of the servicing landfill and map the distance from the proposed project site.
  
5. Is hazardous waste anticipated as part of the project?       YES       NO  
If Yes, does the servicing landfill accept hazardous waste? If Yes, attach documentation.       YES       NO
  
6. Is solid waste permitting currently required, and/or will the completed project require solid waste permitting? Explain. (Attach permit documentation.)       YES       NO
  
7. If owners or renters are required to pay costs for disposal services, will it create a financial hardship?       YES       NO       N/A  
If YES, explain.       N/A
  
8. Indicate if any other landfills exist in proximity to the project area that could adversely affect the environment in or around the project site. List names of landfills and types and map in relation to project site.

More found at the following websites:

<http://www.dnr.mo.gov/env/swmp/facilities/permittedfacilities.htm> - DNR Permitted Solid Waste Facilities

<http://www.dnr.mo.gov/env/swmp/swmd/swmdinfo.htm> - DNR Solid Waste Management Districts

[http://www.dnr.mo.gov/env/swmp/forms/form\\_permit.htm](http://www.dnr.mo.gov/env/swmp/forms/form_permit.htm) - DNR Solid Waste forms & permitting

<http://www.dnr.mo.gov/env/hwp/maps/index.html> - DNR Hazardous Waste Map Gallery

<b>CDBG ENVIRONMENTAL ASSESSMENT</b>		
<b>STORM WATER DRAINAGE</b>		
1. Is there an existing storm water drainage system adequate to serve the project? <u>Explain the type of drainage system:</u> (Information should come from the public works superintendent, project engineer, or DNR)	<input type="checkbox"/> YES <input type="checkbox"/> NO	
2. If no storm water drainage system exists, <u>describe</u> how storm water run-off will be impacted by the project.	<input type="checkbox"/> N/A	
3. National Pollutant Discharge Elimination System Permit: Is the community listed? <a href="http://www.dnr.mo.gov/env/wpp/stormwater/sw-phaseii-communities.pdf">http://www.dnr.mo.gov/env/wpp/stormwater/sw-phaseii-communities.pdf</a> - Communities affected as of <u>March 29, 2010</u>	<input type="checkbox"/> YES <input type="checkbox"/> NO	
<p>If your community is listed as affected by <u>Phase II</u> storm water regulations, <u>attach evidence</u> that your community is in receipt of the NPDES Permit. <u>Attach</u> the community's plan for a storm water drainage program and <u>explain</u> progress toward implementation of the required program. Attach additional pages as necessary.</p>		
<b>Background Information:</b>		
<p>The <u>national</u> and <u>state</u> PDF storm water regulations now require certain small communities to obtain a National Pollutant Discharge Elimination System, also known as NPDES, permit. Missouri has three Phase I communities. In addition, there are approximately <u>152 Missouri communities</u> PDF affected by these <u>Phase II</u> storm water regulations. These small communities with Municipal Separate Storm Sewer Systems, also known as MS4s, were required to obtain a NPDES permit by March 10, 2003. The permit requires these regulated MS4s to have their storm water management program in place by March 10, 2008. The program must address six minimum control measures</p>		
4. Does the project require a storm water (NPDES) permit?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
If YES, attach the permit and any other relevant documentation.		
<b>For more information, access the following websites:</b> <a href="http://www.dnr.mo.gov/env/wpp/stormwater/sw-local-gov-programs.htm#overview">http://www.dnr.mo.gov/env/wpp/stormwater/sw-local-gov-programs.htm#overview</a> DNR Local Gov., MS4, Programs <a href="http://www.dnr.mo.gov/env/wpp/stormwater/index.html">http://www.dnr.mo.gov/env/wpp/stormwater/index.html</a> - DNR Storm Water Information Clearinghouse <a href="http://cfpub.epa.gov/npdes/stormwater/menufbmps/index.cfm">http://cfpub.epa.gov/npdes/stormwater/menufbmps/index.cfm</a> - EPA Best management Practices		
<b>Additional Information/Explanations:</b>		

## **CDBG ENVIRONMENTAL ASSESSMENT**

### **LEAD BASED PAINT**

#### **(24 CFR Part 35)**

Lead based paint requirements apply to all HUD-assisted rehabilitation, residential, commercial, and public facility projects, where young children will reside over 100 days, or spend more than 10 hours per week. Lead-based paint is defined by statute as paint with a lead concentration of 1 milligram per square centimeter, or 0.5 percent by weight. Hazards can be in the form of paint chips, child-accessible (therefore chewable) painted surfaces, friction surfaces of windows and doors, lead contaminated dust, and lead contaminated soil. If lead based paint hazards are identified, lead based paint treatments and lead safe work practices must be implemented. The Missouri Department of Health and Senior Services (DHSS), Section for Environmental Public Health (SEPH), Lead Licensing Program under authority of RSMO 701.300-701.338, governs the licensure of lead abatement personnel, enforces work practice standards for lead inspections, risk assessments, and lead abatement projects and accredits lead training courses in Missouri.

- |  |                              |                             |
|--|------------------------------|-----------------------------|
| 1. Does the project involve <b>rehabilitation</b> structures built prior to January 1, 1978?   | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| <p>If YES, is there a potential children under 6 years old anticipated to reside over 100 days or spend over 10 hours a week in the project structure? <span style="float: right;"><input type="checkbox"/> N/A    <input type="checkbox"/> YES    <input type="checkbox"/> NO</span></p> <p>Pay particular attention to friction areas like doors and windows, and assess if paint has made contact with soil. Consult with the lead risk assessor to determine whether there is a need for soil testing.</p> <p>If YES lead paint testing is required for deteriorated paint surfaces and paint surfaces that will be disturbed. A Missouri Licensed Lead Professional licensed through the Missouri Department of Health and Senior Services (DHSS) must be hired. Comply with all DHSS requirements.</p> |                              |                             |
| 2. Does the project involve <b>demolition</b> of structures built prior to January 1, 1978?  | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| <p>If YES, will property re-use involve residential; child-occupied facility such as a day care center, pre-school, or playground; and common areas such as open spaces that may be used by children?</p> <p>If YES, soil testing is required by an EPA-certified lead risk assessor also listed on the DHSS website. Attach all related documentation.</p>  |                              |                             |
| 3. a. Does the project involve demolition or rehabilitation of an <b>elevated water tower/tank</b> ?   | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| <p>If YES, is lead based paint located on the interior and/or exterior of the tower/tank? <span style="float: right;"><input type="checkbox"/> YES    <input type="checkbox"/> NO</span></p>   |                              |                             |
| b. Does the project involve demolition or rehabilitation of a <b>bridge</b> ?  | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| <p>If YES, does the bridge contain lead based paint? <span style="float: right;"><input type="checkbox"/> YES    <input type="checkbox"/> NO</span></p>  |                              |                             |
| <p>If YES to 3a or 3b, does the field visit reveal any deteriorated paint such as cracking, peeling and chipping? <span style="float: right;"><input type="checkbox"/> YES    <input type="checkbox"/> NO</span></p>   |                              |                             |
| c. Explain any mitigation measures that will be implemented during the project including soil testing, remediation of existing lead in soils, and how soils will be protected from lead based paint during demolition and/or construction activities. Attach all related documentation.  |                              |                             |

#### **Attach all support documentation regarding lead testing, treatment, and/or abatement.**

If CDBG funds are proposed to pay for lead testing, treatment, and/or abatement, CDBG procurement methods apply.

#### **More information is found at the following websites:**

<http://www.hud.gov/offices/hsg/omhar/readingrm/environ/resource.pdf> - HUD Lead Information Resources  
<http://health.mo.gov/safety/leadlicensing/professionals.php> - MO Licensed Lead Professionals  
<http://www.moga.mo.gov/STATUTES/C701.HTM> - RSMO 701.300-701.338  
<http://www.osha.gov/SLTC/lead/index.html> - OSHA - Lead  
<http://www.epa.gov/lead/pubs/interiorfinal2.pdf> - EPA Lead-Based Paint Pre-Renovation Education Rule  
<http://www.epa.gov/lead/index.html> - EPA Lead in Paint, Dust, and Soil

#### **Additional Information/Explanations:**

## **CDBG ENVIRONMENTAL ASSESSMENT**

### **ASBESTOS**

#### **(40 CFR 61.141 Sub-part M)**

Asbestos requirements apply to all HUD-assisted projects involving demolition and rehabilitation of regulated structures. The Missouri Department of Natural Resources (DNR) is a delegated agency of the Environmental Protection agency (EPA) for the purposes of administering 40 CFR Part 61, Subpart M, *The National Emission Standard for Asbestos*, the asbestos NESHAP. This regulation contains requirements for asbestos inspection, project notification, emission control procedures for asbestos removal, and asbestos waste disposal. The DNR regulates demolition and renovation projects involving institutional, commercial, public, industrial, or residential structures, installations or buildings.

In addition to the requirements of the federal asbestos NESHAP, the DNR also has additional State regulations that govern asbestos activities. These regulations include requirements for trained and registered contractors to perform asbestos abatement work. These regulations also ensure that individuals that perform asbestos inspections, and who design and work on asbestos abatement projects, are properly trained and certified through accredited training providers. DNR regulations governing asbestos can be found at 10 CSR 10-6.241 and 10 CSR 10-6.250.

The United States Occupational Safety and Health Administration (OSHA) requirements are in place to ensure the protection of workers who must work with or around asbestos containing materials. Projects involving structures with asbestos containing materials, whether or not regulated by DNR, must be performed in accordance with all applicable OSHA requirements.

1. Does the project involve demolition or rehabilitation of residential, commercial, or bridge structures?  YES  NO

If Yes, a Missouri Certified Asbestos Inspector, certified by DNR, must be hired to perform a thorough asbestos inspection identifying the quantity, type, condition, and location of asbestos containing materials. Comply with DNR reporting requirements. If friable asbestos containing materials are present requiring abatement, a Missouri registered asbestos abatement contractor must be hired.

#### **DNR Asbestos Unit - (573) 751-4817**

2. Does the project include removal of asbestos water or sewer pipes?  YES  NO

If asbestos piping will be removed, wet methods must be used and debris material properly disposed in a sanitary landfill that accepts asbestos containing material. If the amount of asbestos containing material is over 260 linear feet, a DNR-certified abatement contractor must be used. Nothing is required if pipe is to be left in place.

<http://water.epa.gov/drink/contaminants/basicinformation/asbestos.cfm> - EPA Asbestos in Drinking Water

If CDBG funds are proposed to pay for asbestos inspection and/or abatement, CDBG procurement methods will apply.

#### **Attach all support documentation regarding asbestos inspection and/or abatement.**

Asbestos information may be found at the following websites:

[http://www.access.gpo.gov/nara/cfr/waisidx\\_02/40cfr61\\_02.html](http://www.access.gpo.gov/nara/cfr/waisidx_02/40cfr61_02.html) - 40 CFR Part 61

<http://www.sos.mo.gov/adrules/csr/current/10csr/10c10-6a.pdf> - 10 CSR 10-6.241 & 10-6.250

<http://www.dnr.mo.gov/env/apcp/Asbestos.htm> - DNR Asbestos Information & Forms

<http://www.dnr.mo.gov/pubs/pub2374.pdf> - Environmental Regulations for Demolition Project Checklist

<http://www.dnr.mo.gov/pubs/pub2157.pdf> - Asbestos Requirements for Demolition & Renovation

<http://www.dnr.mo.gov/pubs/pub2156.pdf> - Management of Non-Friable Asbestos Containing Materials

<http://www.epa.gov/asbestos/> - EPA – Asbestos

[http://www.osha.gov/pls/oshaweb/searchresults.category?p\\_text=asbestos&p\\_title=&p\\_status=CURRENT](http://www.osha.gov/pls/oshaweb/searchresults.category?p_text=asbestos&p_title=&p_status=CURRENT) - OSHA

#### **Additional Information/Explanations:**

## **CDBG ENVIRONMENTAL ASSESSMENT**

### **ENERGY CONSUMPTION**

Section 101 of the Housing and Community Development Act of 1974, as amended, states: “Federal assistance provided in this chapter is for the support of community development activities which are directed toward the following specific objectives: the conservation of the Nation’s scarce energy resources, *improvement of energy efficiency*, and the provision of alternative and renewable energy sources of supply”. HUD encourages CDBG grantees to incorporate ENERGY STAR qualified products and practices when conducting rehabilitation or new construction.

1. Explain if the project will use as its energy source any “alternative” or renewable fuel or energy source(s) such as wind generation, solar power, geothermal energy, or bio-fuels.

<http://www.dnr.missouri.gov/energy/renewables/index.html> - DNR Renewable Energy

2. If new construction or rehabilitation of a building is proposed, explain if the building will be ENERGY STAR qualified. See websites below for more information about Energy Star.  N/A

3. If new construction or rehabilitation of a building is proposed, identify if energy-efficient materials and construction methods are proposed – consult with the project architect or engineer. Check all that apply:

N/A

- Programmable thermostat
- Installation of new HVAC system with improved controls
- Use of reflective, light colored roofing shingles
- Professionally sealed ducts to the ENERGY STAR specification of 10% maximum
- Joints and penetrations through drywall must be well sealed to keep moist air out of insulation.
- Sealing leaks around windows, doors, floor, ceiling, plumbing and electrical features
- Insulating all exterior walls to at least R-19
- Window replacement/addition with U-factor of 0.40 or less & solar heat gain coefficient 0.55 or less
- Insulation of ceilings of top floor to at least R-49.
- Insulation of floors above unconditioned space to at least R-25
- Installation of vapor retarders in non-vented framed floors
- Insulation of interior floors above conditioned spaces to at least R-19
- Installation of radiant barriers in attic or like spaces
- Replacing water heater with electric model with an Energy Factor of 0.92 or higher, or gas model of 0.61 or higher
- Replacing incandescent lights with ENERGY STAR compact fluorescent bulbs and fixtures
- Replace magnetic ballasts with electronic ballasts using a T8 lamp
- ENERGY STAR exit signs
- Low flow toilets
- Low flow faucets
- ENERGY STAR brand appliances

4. If none of the above are proposed, are any feasible? Why or why not?  N/A  
[http://www.energystar.gov/index.cfm?fuseaction=comm\\_real\\_estate.upgrade\\_value\\_calculator](http://www.energystar.gov/index.cfm?fuseaction=comm_real_estate.upgrade_value_calculator) –Value Calculator

5. Explain if simple weatherization techniques will be implemented during construction.  N/A  
<http://www.dnr.missouri.gov/energy/weatherization/wx.htm> - DNR Low Income Weatherization Program

#### Related Information:

[http://www.energystar.gov/ia/business/evaluate\\_performance/pm\\_lp\\_guide.pdf](http://www.energystar.gov/ia/business/evaluate_performance/pm_lp_guide.pdf) - 2010 Licensed Professional's Guide to Energy Star ® for Commercial Buildings

<http://www.energystar.gov/ia/business/BUM.pdf> - Energy Star Building Upgrade Manual

[http://www.energystar.gov/index.cfm?fuseaction=government.bus\\_government\\_local](http://www.energystar.gov/index.cfm?fuseaction=government.bus_government_local) – Energy Star For Local Governments

## **ENVIRONMENTAL PUBLIC NOTICES AND COMMENT PERIODS**

After preparing the Statutory Checklist (CEST level of review) or an Environmental Assessment, applicable environmental notices must be published and comment periods observed. Below is guidance for calculating comment periods, followed by templates of HUD's environmental notices.

### **COMMENT PERIODS – CALCULATING DAYS:**

#### **Local Comment Periods** (Initial comment period on the local government level):

The local comment period begins the day after the publication of a notice. If the last day of the local comment period should fall on Saturday, Sunday or Holiday, the comments shall be accepted through the following business day.

- The RE may extend the comment period for any reason. For example, if the project is highly complex, controversial, multi-phased, etc., the RE may want to extend the comment period in order to provide adequate opportunity for public review and comment.
- The RROF/C may be submitted to DED *no earlier than one day after the local comment period* (8<sup>th</sup> day for Notice of Intent only; 16<sup>th</sup> day for the Combined Notice). If there is a significant time lapse between the last day of the local comment period and the date the RROF/C is submitted to DED, the RE may be required to re-publish the applicable notice, observe a second local comment period, re-submit the RROF/C, and observe the State's 15-day comment period.

Below is a visual example of a Combined Notice 15 day comment period ending on a weekend, therefore the comments being accepted through the following business day.

Sunday	Monday	Tuesday	Wednesday	Tuesday	Friday	Saturday
				1	2	3
4	5	6	7	8	9 – Combined Notice Publication	10  Day 1
11	12	13	14	15	16	17
Day 2	Day 3	Day 4	Day 5	Day 6	Day 7	Day 8
18	19	20	21	22	23	24
Day 9	Day 10	Day 11	Day 12	Day 13	Day 14	Day 15
25	26 – First business day	27 – RROF/C submitted to CDBG	28 – State comment period commences	29	30	31

#### **States Comment Period:**

The State's 15 day comment period commences the day after the RROF/C is submitted to DED. If the last day of comment period should fall on Saturday, Sunday or Holiday, the comments shall be accepted through the following business day. The day after the end of the State's comment the Pre-Grant Award letter or the Authority to Use Grant Funds form may be issued pending any resolutions to comments received. Review the Permissible Bases for Objections section for more information regarding comments received by the State.

**EARLY PUBLIC FLOODPLAIN NOTICE TEMPLATE**

*(First of two notices required as part of the  
HUD 8 Step Decision Making Process for Floodplains and Wetlands)*

**EARLY PUBLIC NOTICE**

**Date of Publication:** *[Date Published]*

**To: All Interested Agencies, Groups, & Individuals**

**The (City/County/Village) of (City/County/Village NAME), Missouri is proposing to (indicate name of project, address/location, and describe in detail all project activities).** The project will involve (**the amount of land/property located in the 100-year floodplain and wetland.** The (City/County/Village of) is interested in discussing alternatives to this project and securing public perceptions of possible adverse impacts that could result from the project and possible mitigation measures. This notice is required by Section 2(a)(4) of Executive Order 11988 for floodplain management and Section (b) of Executive Order 11990 for protection of wetlands, and is implemented by HUD Regulations found at 24 CFR 55.

**Written comments must be received by (month/date/year) at the following address: (Contact person for the County/City/Village, complete address, and telephone number.)**

*(Name of Mayor/Presiding Commissioner/Village Chair)*

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**\*Remember:** The Early Public Notice is the first notice required in the HUD 8-Step Decision Making Process for Floodplains and Wetlands. A 15-day comment period is required beginning the day after the date of publication and *prior* to publishing the Notice of Explanation (final floodplain notice). It must also be published prior to the Notice of Intent To Request Release of Funds or the Combined Notice, whichever applies to the level of environmental review for the project. Proof distribution to environmental agencies must be submitted to CDBG and copies in the RE ERR. See page IV-142 for further information.

**NOTICE IF EXPLANATION FLOODPLAIN NOTICE TEMPLATE**  
*(Final floodplain notice required as part of the  
HUD 8 Step Decision Making Process for Floodplains and Wetlands)*

## **NOTICE OF EXPLANATION**

**Date of publication:** *[Date Published]*

**To: All Interested Agencies, Groups, & Individuals**

**The (City/County/Village) of (City/County/Village NAME), Missouri intends to undertake (indicate name of project, address/location, and describe in detail all project activities). This project is needed because (indicate need for project). This project is located in the 100-year floodplain and wetland. The project cannot be undertaken in any other location because (indicate why this is the best alternative). The following alternatives were considered: (If there were no other alternatives, indicate this and explain why).**

- 1.
- 2.
- 3.

**The (City/County/Village of) has determined that it has no practicable alternative other than that stated above. This activity will have no significant impact on the environment for the following reasons:**

- 1.
- 2.
- 3.

**The proposed project is designed to minimize adverse impacts and preserve the natural floodplain and wetland. The (City/County/Village of) has conducted an evaluation as required by Executive Order 11988 and 11990 in accordance with HUD regulations at 24 CFR 55.20 to determine the potential affect that activities in the floodplain and wetland will have on the environment.**

**Written comments must be received by (month/date/year) at the following address: (Contact person for County/City/Village, complete address, and telephone number).**

*(Name of Mayor/Presiding Commissioner/Village Chair)*

**\*Remember:** The Notice of Explanation must allow a 7-day comment period beginning the day after the date of publication.

The Notice of Explanation may be published in conjunction with the Notice of Intent To Request Release of Funds (NOI), when the project requires a Categorically Excluded Subject To Related Laws and Authorities (CEST) level of review. Proof distribution to environmental agencies must be submitted to CDBG and copies in the RE ERR. See page IV-142 for further information.

The Notice of Explanation must NOT be published concurrently with the Combined Notice, when an Environmental Assessment (EA) level of review is required. The Combined Notice must be published after the Notice of Explanation 7-day comment period expires.

## **NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS (NOI)**

The language in the *Notice of Intent to Request Release of Funds* is required by HUD. This Notice is used to request environmental approval (environmental release of funds) for Categorically Excluded projects [CEST pursuant to 24 CFR Part 58, Section 58.35(a)] or for projects for which a Notice of Finding of No Significant Impact was previously issued. Required language is **bolded**. Words in *italics* are to be replaced with language relevant to the specific project and Responsible Entity involved.

The seven-day local comment period is the *minimum* time period required by regulation prior to submission of a Request for Release of Funds and Certification (form HUD-7015.15) to the State. The Grantee may choose to allow a longer comment period. The fifteen-day State objection period is a statutory requirement. The objection period follows the submission date specified in the NOI, or the actual date of receipt by the State, whichever is later.

The Notice must specify that all comments be received and addressed in writing by the RE - Grantee/applicant.

## (NOI) NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS TEMPLATE

Note (Shaded area not meant for publishing): The language below is HUD's recommended wording of the Notice of Intent to Request a Release of Funds. This Notice is used to request the environmental release of funds for Categorically Excluded projects [CEST pursuant to 24 CFR Part 58, Section 58.35(a)]. Required language is bolded. Words in *italics* are to be replaced with language relevant to the specific project and Responsible Entity involved.

**Date of Publication:** *[date published]*

**Name of Responsible Entity (RE) - City, County, or Village only**

**Address (e.g., Street No. or P.O. Box)**

**City, State, Zip Code**

**Telephone Number of RE**

**On or after at least one day after the end of the comment period the name of RE – City, County, or Village will submit a request to the State of Missouri Department of Economic Development for the release of Community Development Block Grant funds under Title I of the Housing and Community Development Act of 1974 (PL 93-383) to undertake the following project:**

**Project Title:** *descriptive project name*

**Purpose:** *detailed description/nature/scope and of project*

**Location:** *detailed project location*

**Estimated Cost:** *both estimated CDBG funding & total project costs*

**The activities proposed are categorically excluded under HUD regulations at 24 CFR Part 58 from National Environmental Policy Act (NEPA) requirements. An Environmental Review Record (ERR) that documents the environmental determinations for this project is on file at name and address of RE office where ERR can be examined – City Hall, County Courthouse, Village-and name and address of other locations where the record is available for review Hall and may be examined or copied weekdays   A.M to   P.M.**

### PUBLIC COMMENTS

**Any individual, group, or agency may submit written comments on the ERR to the RE office responsible for receiving and responding to comments – City Hall, County Courthouse, or Village Hall. All comments received by notice date plus seven days will be considered by the name of RE – City, County, or Village prior to authorizing submission of a request for release of funds.**

### RELEASE OF FUNDS

**The name of RE – City, County, or Village certifies to the State of Missouri that name of Certifying Officer in his/her capacity as Official Title – Mayor, Presiding Commissioner, or Village Chairperson consents to accept the jurisdiction of the Federal Courts if an action is brought to enforce responsibilities in relation to the environmental review process and that these responsibilities have been satisfied. The State of Missouri's approval of the certification satisfies its responsibilities under NEPA and related laws and authorities and allows the name of RE – City, County, or Village to use HUD program funds.**

## OBJECTIONS TO RELEASE OF FUNDS

The State of Missouri will accept objections to its release of funds and the RE's – City, County, or Village certification for a period of fifteen days following the anticipated submission date or its actual receipt of the request (whichever is later) only if they are on one of the following bases: (a) the certification was not executed by the Certifying Officer of the name of RE – City, County, or Village; (b) the RE – City, County, or Village has omitted a step or failed to make a decision or finding required by HUD regulations at 24 CFR part 58; (c) the grant recipient or other participants in the development process have committed funds, incurred costs or undertaken activities not authorized by 24 CFR Part 58 before approval of a release of funds by the State of Missouri; or (d) another Federal agency acting pursuant to 40 CFR Part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality. Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 58, Sec. 58.76) and shall be addressed to the State of Missouri Department of Economic Development at PO Box 118, Jefferson City, MO 65102. Potential objectors should contact the State of Missouri Department of Economic Development to verify the actual last day of the objection period.

*Name and Title of RE Certifying Officer (Mayor, Presiding Commissioner, or Village Chairperson)*

**Note (Not meant for publishing):** The seven day public comment period is the minimum time period required by regulation prior to submission of a Request for Release of Funds and Certification (form HUD-7015.15) to the State Of Missouri. The Responsible Entity may choose to allow a longer comment period. The fifteen-day objection period is a statutory requirement. The objection period follows the submission date specified in the Notice or the actual date of receipt by the State of Missouri, whichever is later.

## **GUIDELINES FOR COMPLETING THE COMBINED NOTICE**

### **(Notice of Finding of No Significant Impact & Notice of Intent To Request Release of Funds)**

The language in the Combined Notice is required by HUD. This Notice is used for projects requiring completion of an Environmental Assessment (24 CFR Part 58, Section 58.36). Required language is bolded. Words in *italics* are to be replaced with language relevant to the specific project and Responsible Entity involved.

If there is more than one Grantee/applicant, list them all. For instance, in the case of multi-jurisdictional projects there is typically a lead grantee and other participating grantees. If all are included in the project, then all should be listed in the notice. For multi-jurisdictional projects, notices should be published in newspapers of all relevant jurisdictions, or at a minimum, posted in high traffic areas of all jurisdictions involved in the project. If necessary, contact CDBG for assistance with determining appropriate language in the notice.

The fifteen-day public comment period is the minimum time period required by regulation prior to submission of a Request for Release of Funds and Certification (form HUD-7015.15) to the State. The Grantee/applicant may choose to allow a longer comment period. 24 CFR Part 58 requires, at Section 58.46, "time delays for exceptional circumstances," a 30-day comment period for controversial or unique projects or those similar to projects normally requiring preparation of an Environmental Impact Statement. The fifteen-day objection period is a statutory requirement. The objection period follows the submission date specified in the Notice, or the day after receipt of the Notice by the State, whichever is later.

The Notice must specify that all comments be received and addressed in writing by the Grantee/applicant.

If using a Tiered Review approach to the environmental review, the Combined Notice must indicate that the opportunity will be available to include additional activities and/or properties during the course of the project. The notice must also indicate that each activity and /or property added to the project will be environmentally reviewed to determine if the original Finding of No Significant Impact remains valid.

Proof of distribution to environmental agencies must be submitted to the CDBG office and copies inserted in the RE's environmental review record. See page IV-142 for further information.

## **NOTICE OF FINDING OF NO SIGNIFICANT IMPACT AND NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS**

Note (Shaded area not meant for publication): The language below is HUD's required wording of the Combined Notice of Finding of No Significant Impact and Notice of Intent to Request a Release of Funds. This Notice is used for projects requiring completion of an Environmental Assessment (24 CFR Part 58, Section 58.36]. Required language is bolded. Words in italics are to be replaced with language relevant to the specific project and Responsible Entity involved. Must submit proof of distribution to CDBG office and keep copy in the file. See page IV-142 for further information.

**Date of Publication:** *[date published]*

**Name of Responsible Entity (RE) - City, County, or Village only**

**Address (e.g., Street No. or P.O. Box)**

**City, State, Zip Code**

**Telephone Number of RE**

**These notices shall satisfy two separate but related procedural requirements for activities to be undertaken by the name of RE or grant recipient – City, County, or Village only.**

### **REQUEST FOR RELEASE OF FUNDS**

**On or after** *insert date at least one day after the end of the comment period* **the name of RE (City, County, or Village) will submit a request to the State of Missouri Department of Economic Development for the release of Community Development Block Grant funds under Title I of the Housing and Community Development Act of 1974 (PL 93-383), to undertake the following project:**

**Project Title:** *descriptive project name*

**Purpose:** *detailed project description/nature/scope of project*

**Location:** *detailed project location*

**Estimated Cost:** *both estimated CDBG funding & total project costs*

### **FINDING OF NO SIGNIFICANT IMPACT**

**The name of RE – City, County, or Village only has determined that the project will have no significant impact on the human environment. Therefore, an Environmental Impact Statement under the National Environmental Policy Act of 1969 (NEPA) is not required. Additional project information is contained in the Environmental Review Record (ERR) on file at name and address of RE - City, County, or Village- office where ERR can be examined and name and address of other locations where the record is available for review and may be examined or copied weekdays**

**\_\_A.M to \_\_P.M.**

### **PUBLIC COMMENTS**

**Any individual, group, or agency may submit written comments on the ERR to the RE designated office responsible for receiving and responding to comments - County Court House, City Hall, or Village Hall. All comments received by publication date plus fifteen days will be considered by the name of RE – City, County, or Village prior to authorizing submission of a request for release of funds. Comments should specify which Notice they are addressing.**

## RELEASE OF FUNDS

The name of RE – City, County, or Village certifies to the State of Missouri that name of Certifying Officer in his/her capacity as Official Title - Presiding Commissioner, Mayor, or Village Chairperson consents to accept the jurisdiction of the Federal Courts if an action is brought to enforce responsibilities in relation to the environmental review process and that these responsibilities have been satisfied. The State of Missouri's approval of the certification satisfies its responsibilities under NEPA and related laws and authorities and allows the City, County or Village to use HUD program funds.

## OBJECTIONS TO RELEASE OF FUNDS

The State of Missouri will accept objections to its release of funds and the RE, – City, County or Village certification for a period of fifteen days following the anticipated submission date or its actual receipt of the request (whichever is later) only if they are on one of the following bases: (a) the certification was not executed by the Certifying Officer of the name of RE – City, County, or Village; (b) the RE, – City, County, or Village has omitted a step or failed to make a decision or finding required by HUD regulations at 24 CFR part 58; (c) the grant recipient or other participants in the development process have committed funds, incurred costs or undertaken activities not authorized by 24 CFR Part 58 before approval of a release of funds by the State of Missouri; or (d) another Federal agency acting pursuant to 40 CFR Part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality. Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 58, Sec. 58.76) and shall be addressed to State of Missouri Department of Economic Development, Community Development Block Grant at PO Box 118, Jefferson City, MO 65102. Potential objectors should contact the State of Missouri Department of Economic Development to verify the actual last day of the objection period.

Name and Title of RE Certifying Officer (*Presiding Commissioner, Mayor, or Village Chairperson*)

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**Note (Not meant for publication):** The fifteen day public comment period is the minimum time period required by regulation prior to submission of a Request for Release of Funds and Certification (form HUD-7015.15) to the State of Missouri. The Responsible Entity may choose to allow a longer comment period. 24 CFR Part 58 requires, at Section 58.46, "Time delays for exceptional circumstances," a 30-day comment period for controversial or unique projects or those similar to projects normally requiring preparation of an Environmental Impact Statement. The fifteen-day objection period is a statutory requirement. The objection period follows the submission date specified in the Notice or the day after receipt of the Notice by the State of Missouri, whichever is later. Proof distribution to environmental agencies must be submitted to CDBG and copies in the RE ERR. See page IV-142 for further information.

## DISTRIBUTION LIST FOR ENVIRONMENTAL NOTICES

**In general, environmental notices should be sent to all interested parties, including:**

Local News Media

Individuals and groups interested in your activities, including historical societies and groups

State and federal agencies, as appropriate

Following is a list of state and federal agencies most appropriate to receive environmental notification.

(\*) Agencies marked with one asterisk (\*) must receive all public environmental notices.

(\*\*) If the project is located within the 100-Year Floodplain and/or Wetland, the agencies marked with a double asterisk (\*\*) must receive environmental notices in addition to the other required agencies.

(\*\*\*) If the proposed project involves development or conversion of prime or unique agricultural land for non-agricultural use, submit notices to USDA Natural Resources Conservation Service.

*U.S. Environmental Protection Agency, Region 7 ATTN: Joe Cothern, ENSV/NEPA Section 901 N. 5 <sup>th</sup> Street Kansas City, KS 66101 Phone: 913-551-7148	**U.S. Army Corps of Engineers SEND TO THE DISTRICT OFFICE FOR YOUR AREA – click the link below for a district map. <a href="http://www.mvs.usace.army.mil/ConOps/permits/permits.html">http://www.mvs.usace.army.mil/ConOps/permits/permits.html</a>
* Missouri Department of Natural Resources State Historic Preservation Office – Section 106 PO Box 176 Jefferson City, MO 65102 Phone: 573-751-7858	**U.S. Fish and Wildlife Service Region 3 Ecological Field Office 101 Park DeVille Drive, Suite A Columbia, MO 65203 Phone: 573-234-2132
*Missouri Department of Natural Resources PO Box 176 Jefferson City, MO 65102 Phone: 573-522-8796  <b>Attn: Send environmental notices to all DNR divisions, units, and offices that could have an interest in the project.</b> <a href="http://www.dnr.mo.gov/divisions.htm">http://www.dnr.mo.gov/divisions.htm</a> - DNR Divisions & Programs	**FEMA Region VII ATTN: Ken Sessa 9221 Ward Parkway, Suite 300 Kansas City, MO 64114-3372 Phone: 816-283-7960
**MO State Emergency Management Agency ATTN: Dale Schmutzler, Floodplain Management Officer 2302 Militia Drive, PO Box 116 Jefferson City, MO 65102 573/526-9135	**Missouri Department of Conservation ATTN: Project Coordinator 2901 W. Truman Blvd., PO Box 180 Jefferson City, MO 65102 573/522-4115, ext. 3250
***USDA Natural Resources Conservation Service  Access the website below for area soil scientist contacts, or refer to the CDBG Environmental Resource Manual, Contacts section. <a href="http://www.mo.nrcs.usda.gov/technical/soils/tss/out/nrcs_tss2.jpg">http://www.mo.nrcs.usda.gov/technical/soils/tss/out/nrcs_tss2.jpg</a>	

## INSTRUCTIONS FOR COMPLETING THE REQUEST FOR RELEASE OF FUNDS & CERTIFICATION FORM (RROF&C)

A fillable PDF version of the Request for Release of Funds & Certification Form can be found at <http://www.hud.gov/offices/adm/hudclips/forms/files/7015-15.pdf>

### **IMPORTANT:**

1. The Request for Release of Funds and Certification (RROF/C) must be submitted to DED timely after the local comment period expires for the Notice of Intent To Request Release of Funds (NOI) or the Combined Notice, whichever is applicable to the level of review required for your project. If too much time elapses between the time the comment period expires and the time you submit the RROF/C, you may be required to re-publish.
2. The original form must be on one page – front and back – not on two separate pages.
3. Do NOT indicate an exact amount for project costs on this form!

### **PART 1 – PROGRAM DESCRIPTION AND REQUEST FOR RELEASE OF FUNDS**

**Box 1** – Program Title(s): Community Development Block Grant (CDBG)

**Box 2** – HUD/State Identification Number: For projects that have been awarded funding, indicate the CDBG assigned project number (Ex. 2011-PF-01). For proposed projects, leave this area blank.

**Box 3** – Recipient Identification Number: No entry is required. However, the Grantee may use this space for internal filing purposes.

**Box 4** – OMB Catalog Number(s): **The CDBG Program will always be “CFDA No. 14.228”.**

**Box 5** – Name & Address of the Responsible Entity: Name & address of the Grantee (city or county)

**Box 6** – For Information about this request, contact name & telephone number: Enter the name of the person to contact concerning questions about this form and the environmental review for the project. This may be the grantee, but is commonly the person who completed the environmental review process.

**Box 7** – Name & Address of Recipient (if different than responsible entity): This may be left blank as the grantee is the responsible entity and is indicated in Box 5.

**Box 8** – HUD or State Agency and Office Unit to Receive Request: State of MO Department of Economic Development, CDBG Program

**Box 9** – Program Activity/Project Name: Enter the name of the project/activity for which the request for release of funds is being submitted.

**Box 10** – Location (Street address, city, county, & State): Enter the complete location of the project.

**Box 11** – Program Activity/Project Description: Enter a complete description of all activities for which the form pertains.

### **PART 2 – ENVIRONMENTAL CERTIFICATION (TO BE COMPLETED BY RESPONSIBLE ENTITY)**

**No. 3** – Check one of the boxes. The second box is the box that is usually checked.

Signature of Certifying Officer & Responsible Entity – Insert the name of the Mayor or Presiding Commissioner, the chief elected official for the grantee. This should correspond with whomever signs the grant agreement, otherwise known as the Funding Approval. The Certifying Officer is attesting to the grantee's compliance with HUD/CDBG environmental review procedures (24 CFR Part 58).

### **PART 3 – TO BE COMPLETED WHEN THE RECIPIENT IS NOT THE RESPONSIBLE ENTITY**

Signature of Authorized Officer of the Recipient: For purposes of the CDBG program, this area does not apply, as the recipient and the responsible entity are one in the same.

**Request for Release of Funds  
and Certification**

**U.S. Department of Housing  
and Urban Development**  
Office of Community Planning  
and Development

OMB No. 2506-0087  
(exp. 3/31/2011)

This form is to be used by Responsible Entities and Recipients (as defined in 24 CFR 58.2) when requesting the release of funds, and requesting the authority to use such funds, for HUD programs identified by statutes that provide for the assumption of the environmental review responsibility by units of general local government and States. Public reporting burden for this collection of information is estimated to average 36 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

**Part 1. Program Description and Request for Release of Funds (to be completed by Responsible Entity)**

1. Program Title(s)	2. HUD/State Identification Number	3. Recipient Identification Number (optional)
4. OMB Catalog Number(s)	5. Name and address of responsible entity	
6. For information about this request, contact (name & phone number)		
8. HUD or State Agency and office unit to receive request	7. Name and address of recipient (if different than responsible entity)	
9. Program Activity(ies)/Project Name(s)	10. Location (Street address, city, county, State)	
11. Program Activity/Project Description		

**The recipient(s) of assistance under the program(s) listed above requests the release of funds and removal of environmental grant conditions governing the use of the assistance for the following**

9. Program Activity(ies)/Project Name(s)      10. Location (Street address, city, county, State)

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**Part 2. Environmental Certification (to be completed by responsible entity)**

With reference to the above Program Activity(ies)/Project(s), I, the undersigned officer of the responsible entity, certify that:

1. The responsible entity has fully carried out its responsibilities for environmental review, decision-making and action pertaining to the project(s) named above.
2. The responsible entity has assumed responsibility for and complied with and will continue to comply with, the National Environmental Policy Act of 1969, as amended, and the environmental procedures, permit requirements and statutory obligations of the laws cited in 24 CFR 58.5; and also agrees to comply with the authorities in 24 CFR 58.6 and applicable State and local laws.
3. After considering the type and degree of environmental effects identified by the environmental review completed for the proposed project described in Part 1 of this request, I have found that the proposal  did  did not require the preparation and dissemination of an environmental impact statement.
4. The responsible entity has disseminated and/or published in the manner prescribed by 24 CFR 58.43 and 58.55 a notice to the public in accordance with 24 CFR 58.70 and as evidenced by the attached copy (copies) or evidence of posting and mailing procedure.
5. The dates for all statutory and regulatory time periods for review, comment or other action are in compliance with procedures and requirements of 24 CFR Part 58.
6. In accordance with 24 CFR 58.71(b), the responsible entity will advise the recipient (if different from the responsible entity) of any special environmental conditions that must be adhered to in carrying out the project.

As the duly designated certifying official of the responsible entity, I also certify that:

7. I am authorized to and do consent to assume the status of Federal official under the National Environmental Policy Act of 1969 and each provision of law designated in the 24 CFR 58.5 list of NEPA-related authorities insofar as the provisions of these laws apply to the HUD responsibilities for environmental review, decision-making and action that have been assumed by the responsible entity.
8. I am authorized to and do accept, on behalf of the recipient personally, the jurisdiction of the Federal courts for the enforcement of all these responsibilities, in my capacity as certifying officer of the responsible entity.

Signature of Certifying Officer of the Responsible Entity	Title of Certifying Officer
X	Date signed
Address of Certifying Officer	

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**Part 3. To be completed when the Recipient is not the Responsible Entity**

The recipient requests the release of funds for the programs and activities identified in Part 1 and agrees to abide by the special conditions, procedures and requirements of the environmental review and to advise the responsible entity of any proposed change in the scope of the project or any change in environmental conditions in accordance with 24 CFR 58.71(b).

Signature of Authorized Officer of the Recipient	Title of Authorized Officer
X	Date signed

**Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

## PERMISSIBLE BASES FOR OBJECTIONS [24 CFR §58.75]

### (DED's Objections to Release of Funds)

DED will not approve the *Request for Release of Funds* before 15 calendar days have elapsed from the time of receipt of the *Request for Release of Funds/Certification form (RROF/C)*. All objections must be received by DED within the 15-day period. DED will consider objections of a grantee's noncompliance with environmental requirements based on any of the grounds listed below. These are the only bases upon which DED will not approve the *Request for Release of Funds/Certification*.

The certification was not in fact executed by the RE/grantee Certifying Officer.

The RE/grantee has failed to make one of the two findings pursuant to §58.40 or to make the written determination as required, either a *Finding of Significant Impact (FOSI)* or *Finding of No Significant Impact (FONSI)* to the environment.

The RE/grantee has omitted one or more of the steps for the preparation and completion of an environmental review including publishing applicable notices and observing required comment periods, and completion of an *Environmental Assessment (EA)*.

Another Federal agency has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality.

The RE/grantee has omitted one or more of the steps for the preparation and completion of an *Environmental Impact Statement (EIS)*.

The RE/grantee or other participants in the development process have committed funds, incurred costs, or undertaken activities not authorized by 24 CFR Part 58.75 before the release of funds and approval of the environmental certification by DED/CDBG.

No opportunity was given to the Advisory Council on Historic Preservation or its Executive Director to review the effect of the project on a property listed on the National Register of Historic Places or found to be eligible for such listing by the Secretary of the Interior.

With respect to a project where environmental circumstances cause a reevaluation of assessment findings, the use of prior environmental impact statements, or the use of supplemental impact statement, the grantee has failed to include in the *Environmental Review Record (ERR)* the written decision required, or its decision is not supported by facts specified by the objecting party.

If no objections are received, DED/CDBG will issue a "Pre-Grant Award Environmental Approval" letter for applications not yet funded, or the notice of "Authority to Use Grant Funds/Completion of Environmental Review Requirements", for projects that have been awarded CDBG fund

## PRE-GRANT AWARD ENVIRONMENTAL APPROVAL

**(DATE)**

The Honorable *Name*

*Presiding Commissioner/Mayor/Chairperson*

*Address*

*Address*

### **RE: County/City/Village - Pre-Grant Award Environmental Approval**

Dear *Presiding Commissioner/Mayor/Chairperson*,

Our office received the *County's/City's/Village's* 'Request For Release of Funds & Certification', form HUD-7015.15, on *Date*. The Environmental Review for the *County's/City's/Village's* proposed CDBG project has been reviewed by this office. Consider this notice documentation that the HUD/CDBG Environmental Review process is complete as of the date of this letter, **DATE**. No further action is required. If Conditions For Approval apply, documentation is required for submittal as evidence mitigation and/or project modification measures comply with applicable laws and authorities.

This notice in no way commits or guarantees CDBG funds for use in this proposed project, nor does it authorize the *County/City/Village* to officially commit CDBG funds for any portion of this proposed project prior to a grant award and executed Grant Agreement. Should the *County/City/Village* be awarded CDBG funding for the project, this notice will remain in effect unless changes are proposed to the project as reviewed.

The *County/City/Village* should be aware of two critical issues that could impact eligibility for CDBG funding;

- 1) Do not expend any funds or initiate any physical work on activities that were not included in this environmental review. Physical activities include new construction, excavation, rehabilitation, modifications, and property acquisition. Failure to abide by this requirement will jeopardize CDBG funds for use in this project.
- 2) Additionally, funds expended by any source prior to the Department's issuance of the fully executed CDBG Grant Agreement cannot be counted toward any match requirement that may be applicable to the *County's/City's/Village's* project should the *County/City/Village* be awarded a CDBG grant.

Please file this notice in the *County's/City's/Village's* Environmental Review Record for proper record keeping, audit, and inspection purposes. If there are proposed changes to the location and/or scope of the project, please contact this office as changes are subject to environmental review requirements.

Should you have any questions about environmental review requirements, I may be reached at 573/751-3600, or at my e-mail address at [joann.dent@ded.mo.gov](mailto:joann.dent@ded.mo.gov). Thank you for your cooperation.

Sincerely,

Jo Ann Dent  
CDBG Environmental Officer  
Compliance Specialist  
Business and Community Services Division  
Missouri Department of Economic Development

cc:    *Environmental Preparer Name*  
         *Name, DED/CDBG Compliance Specialist*

STATE OF MISSOURI  
DEPARTMENT OF ECONOMIC DEVELOPMENT  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

AUTHORITY TO USE GRANT FUNDS/  
COMPLETION OF ENVIRONMENTAL REVIEW REQUIREMENTS

GRANTEE: \_\_\_\_\_

PROJECT #: \_\_\_\_\_

Date Request for Release of Funds and Certification, form HUD-7015.15 received: \_\_\_\_\_

All objections, if received, have been considered and the minimum comment period has expired.

The Grantee is hereby authorized to use CDBG funds awarded and any non-CDBG funds for the above referenced project.

File this form in the Environmental Review Record for proper record keeping, audit and inspection purposes.

***Any changes in the scope of the project as funded are subject to HUD/CDBG environmental review requirements.***

***If Conditions For Approval apply, documentation is required for submittal as evidence mitigation and/or project modification measures comply with applicable laws and authorities.***

---

Effective Date of Release

---

Jo Ann Dent  
CDBG Environmental Officer  
MO Department of Economic Development

Cc:

## **CHAPTER V**

### **CIVIL RIGHTS**

#### **Introduction:**

Missouri's CDBG recipients and their project contractors will certify compliance with a broad range of State and Federal regulations relating to Civil Rights and Equal Opportunity. The certifications are contained in the grant agreement/funding approval between DED and the grantee. Civil rights, labor, environmental, and other certifications are also contained in DED's model CDBG contracts between the grantee and their contractors and subgrantees.

These various statutes and regulations are intended to protect the rights of all people, and prohibit discrimination against persons on the basis of race, national origin, color, religion, sex, age (only for employment), handicap, or familial status. The Missouri CDBG Program is committed to the objectives of civil rights and equal opportunity, and each project is monitored to insure compliance.

A detailed listing of civil rights laws applicable to the CDBG program is provided later in this chapter. These various civil rights laws, regulations, and executive orders apply directly to four areas of CDBG project activity: (1) project beneficiaries; (2) project reporting; (3) employment opportunities; and, (4) contracting opportunities.

Fair Housing is one of the civil rights compliance areas that require DED's grantees to take annual official actions to educate its citizens about the state and federal fair housing laws. It also requires grantees to adopt a fair housing ordinance. Fair Housing compliance responsibilities will be discussed more fully in this chapter under its own section.

#### **1) PROJECT BENEFICIARIES**

In CDBG funded projects, recipients are prohibited from practicing discrimination on the grounds of race, color, national origin, religion, sex, handicap, or familial status. This prohibition applies directly to the grantee and to all project contractors or subcontractors. The project's beneficiaries must be determined and demographic data compiled for the grantee's project file and reporting requirements.

For purposes of the CDBG program, the term **direct beneficiary** is defined as a person or family receiving a direct service (benefit) for which they are required to either complete a personal income verification form, or submit an application for the purpose of demonstrating eligibility under a particular criteria (such as meeting the LMI income limit). As an example, rehabilitating a house to HQS standards would be considered a direct benefit to the family or families living there.

The term **indirect (area) beneficiary** is defined as a person or family who receives a service (benefit) that is equally provided to the whole community or a targeted portion of the community. Street paving would ordinarily be considered an indirect (area) benefit, as would a new water tower or wastewater treatment system improvement.

Replacing a water line that serves the entire community or target area would fall under the definition of an indirect (area-wide) benefit; however, providing hookup into a municipal water or sewer system is considered a direct benefit and eligibility must be demonstrated based on qualifying as LMI .

**2) PROJECT REPORTING:** Demographic information on direct and indirect beneficiaries must be provided to DED at the time of project close-out. Refer to the close-out report forms, in the Close-out Chapter, for direct and indirect beneficiary reporting. The close-out report information is reported to HUD as part of the State's annual performance report (PERS).

### **3) EMPLOYMENT OPPORTUNITIES:**

#### Grantee Employment/Hiring Requirement:

a) Recipients of CDBG funds must not deny the opportunity for employment in any CDBG program or activity on the basis of race, color, religion, sex, or national origin.

b) Statistical data must be collected on the number and percentage by race and gender of the personnel in any department, office, or agency of the unit of local government using CDBG funds to employ staff. For example, if the grant is used to pay a portion of a bookkeeper's salary in the accounting department of the city, then employment information must be available from that department, when requested for DED's reporting requirements.

Section 3 Employment Requirement: It requires that grantees, to the maximum extent possible, must insure that lower income residents in their community receive any employment or training provided through a CDBG project. See Section 3 Objectives in this chapter, under the next topic, "Contracting Opportunities." Section 3 residents are residents whose income is LMI.

### **4) CONTRACTING OPPORTUNITIES:**

CDBG funded grantees must insure that discrimination does not occur in the solicitation and award of contracts through the development of nondiscriminatory advertising, direct solicitations of MBE, WBE, and Section 3 contractors, bid specifications, and procurement evaluation criteria.

Grant recipients and contractors are required to make affirmative efforts to employ minorities, women, and Section 3 individuals for project related jobs. Grantee are to maximize opportunities for minority-owned, female-owned, and Section 3 businesses to participate in and to compete for the grantee's CDBG-funded project contracts.

#### **a) Section 3 Objectives and Reporting:**

Section 3 of the Housing and Urban Development Act of 1968, as amended, provides that to the greatest extent feasible preference for economic opportunities, such as, job training and employment that arise through HUD-assisted projects, shall be directed toward Section 3 residents, and businesses. Section 3 persons are defined as:

- a) low and very low-income residents of public assisted housing; or,
- b) other persons meeting the program criteria (LMI) who live in the project area. Such preference shall be given first to residents inside the specific area covered by the project, followed by residents in the county in which the project is located.

#### Section 3 Businesses are defined as:

- Businesses with an ownership that represents at least 51% Section 3 residents; or,
- Businesses employing Section 3 residents in full-time positions; or,
- Businesses that subcontract with other entities that provide economic opportunity to Section 3 residents, that is, 25% of its contracts are with Section 3 businesses.

Note that the State's list of Disadvantage Businesses Enterprises (DBE) businesses may be used to meet DED's Section 3 procurement solicitation requirements. The state's DBE list may be found at:

Missouri Department of Transportation:

[www.modot.org/business/contractor\\_resources/External\\_Civil\\_Rights/mrcc.htm](http://www.modot.org/business/contractor_resources/External_Civil_Rights/mrcc.htm) or  
[www.modot.org/business/index.htm](http://www.modot.org/business/index.htm)

#### Section 3 Compliance is Applicable to a Grantee's Project When:

1. Section 3 reporting and performance requirements apply to a grantee's project if: their CDBG grant

- award exceeds \$200,000; and,
2. Section 3 applies to all contractors and subcontractors whose contract with the grantee exceeds \$100,000 and the \$200,000 grant award threshold with the grantee is also met.

**NOTE: Grantees are required to file a Section 3 Report with DED annually on January 2nd, and also with your project Close-out Report.**

**b) Compliance with MBE, WBE, and DBE/Section 3 Solicitation Requirements**

1. Project Related Employment: Grantees must follow equal opportunity and affirmative action guidelines in hiring and in their personnel office practices, when hiring personnel for your CDBG-funded project.
2. Direct Solicitation Lists for Contract Procurement: Develop a list of minority and female owned, and Section 3 businesses to be notified of bid opportunities and to be directly solicited to bid on your CDBG project contracts, both for construction and professional services. Below are sources to use to develop a list for direct solicitation of minority, women, and Section 3 contractors:
  - a) Missouri Office of Administration Office of Equal Opportunity:  
[www.directory.oeo.oa.mo.gov](http://www.directory.oeo.oa.mo.gov)
  - b) Missouri Department of Transportation:  
[www.modot.org/business/contractor\\_resources/External\\_Civil\\_Rights/mrcc.htm](http://www.modot.org/business/contractor_resources/External_Civil_Rights/mrcc.htm) or  
[www.modot.org/business/index.htm](http://www.modot.org/business/index.htm)
  - c) Minority Contractors Initiative (MCI): 3030 Locust, St. Louis, MO 63103; 314/371-1548; Mr. Kem Mosley, Mr. Sal Martinez, and Mr. George Robnett
  - d) Hispanic Chamber of Commerce of Metropolitan St. Louis: 314/664-4432; or, [kramirez@hccstl.com](mailto:kramirez@hccstl.com) Mr. Karlos Ramirez
  - e) Kansas City Hispanic Association of Contractors Enterprise, Inc.: [www.kchace.org](http://www.kchace.org) 816/842-7101 or [info@kchace.org](mailto:info@kchace.org)
  - f) Minority Contractors Association St. Louis, MO: [www.mokanccac.org](http://www.mokanccac.org) 314/454-9675; 4666 Natural Bridge; St. Louis, MO 63115; Ms. Yaphet El-Amin
  - g) Minority Contractors Association Kansas City MO: 816//924-4441 3200 Wayne, 202, Kansas City, MO 64109; Mr. Mabins
3. NOTIFY MBE, WBE, and Section 3 firms of Contract Opportunities: This can be done through direct solicitation of firms, contractor organizations, public notices, including announcements in minority newspapers, advertising and/or sending information to disadvantaged business (DBE) concerns to submit a bid. It is essential that all bid notices, inclusive of affirmative action efforts, be distributed in a timely fashion to all contractors that are directly solicited. Refer to the Procurement Chapter of this manual for additional requirements regarding the advertising and direct solicitation of bids for CDBG funded projects.
4. Publication Requirements - Section 3 and EO Certification and Provisions: Insert applicable Section 3 and equal opportunity provisions and EO language in bid documents and contracts (refer to the Contract Management Chapter for the detailed provisions and language).
5. Section 3 Contract Use-Plan Submission: Grant recipients shall require all covered bidders to submit their Section 3 proposed use plan in accordance with numerical goals established as a “safe harbor” for compliance with Section 3. Construction contractors must submit Tables A and B. These include the following minimum targets:
  - a. Job Training and Employment: A total of 30% of the aggregate number of new hires;

b. Project Contracting:

1. At least 10% of the total dollar amount of all Section 3 covered contracts for building trades work arising in connection with housing rehabilitation, housing construction, and other public construction going to Section 3 business concerns
2. At least 3% of the total dollar amount of all other CDBG non-construction project contracts going to Section 3 business concerns
6. Document Section 3 and EO Compliance: Maintain supporting documentation that reflects the recipient's Section 3 compliance activities, along with affirmative action and equal opportunity efforts in the areas of employment, program benefits, contracting, and housing activities. Maintain direct solicitation, advertisements, and procurement records.
7. Contractor Section 3 Compliance: Monitor contractor and subcontractor compliance with applicable MBE/WBE and Section 3 provisions.
  - Contractor Reporting: Obtain information from prime contractors on Section 3 accomplishments. After the project's construction is completed, the engineer, architect or grant administrator must obtain the completed Tables C and D contract documents from the prime contractor for Section 3 compliance. The tables should be obtained prior to making the final contract payment.
  - Tables A, B, C, & D may be found in the contract documents in the Contract Management Chapter of this manual.
  - The Section 3 Summary Report and instructions may be found in the appendix of this chapter. It must be filed annually with DED on January 2nd.

## FAIR HOUSING

Fair Housing has traditionally been a strong focus for civil rights efforts in the United States and continues to represent a key objective for both HUD and the Missouri CDBG program. CDBG grant recipients are required to adopt a fair housing ordinance. All grantees must also complete and document two Fair Housing actions each year that your grant is open. The first of these official actions is to address an identified Impediment to Fair Housing Choice. The second one is an official action to affirmatively further fair housing. DED provides suggested official action in this section and on DED's website. Grantees must provide DED staff with documentation of its annual actions at the monitoring visits. Below, we explain the difference between the two types of actions.

### **Grantee's Annual Official Action to Address Impediments to Fair Housing Choice**

Fair Housing choice means that all persons have the same access to housing choices regardless of race, color, national origin, religion, sex, disability, familial status, or income level. An Impediment to Fair Housing Choice is a barrier or something that prevents a person from exercising that right. In 1997, the CDBG program contracted with a private consultant to perform an Analysis of Impediments (AI) study to assess the existence of impediments to fair housing choice in the State of Missouri (a new AI study will be done by DED and MHDC within the next 12-months).

The findings from the 1997 study indicated impediments to fair housing choice exist throughout the state in each of the following categories:

1. The shortage of affordable housing
  - Landlords unwilling to rent to families receiving public assistance
  - Lengthy waiting lists for public housing
  - Source of income and past consumer credit problems used to deter or deny mortgage loan applications
2. The income variable
  - Familial status (unwed couples, female heads of household, three or more children)
  - Race (exploitation has been specifically identified where lack of occupancy laws is generating overcrowding in housing)
3. Discrimination based on historical prejudices
  -
4. Lack of knowledge/education about fair housing choice
  - A majority of the persons surveyed did not know how to properly file a fair housing complaint
  - Limited knowledge of individual rights under fair housing laws
5. Ordinances, regulations, and policies that cause disparate impact
  - Inflexible Section 8 and Public Housing regulations
  - Cumbersome paperwork requirements for state and Federal housing programs
  - Overly restrictive zoning and permitting practices

We ask grantees to take an official action to address one of the above identified impediments per year. The CDBG program will continue to provide technical assistance, including a new list of activities on our website from which grantees may select an action to implement. Please Note: that in order to achieve compliance, a grantee must complete an action to eliminate or minimize an identified

impediment each year their project is open. For example to address impediment #1 above, a grantee may work with an affordable housing developer (non-for profit or for-profit) to apply for an affordable housing project under one of the following programs: MHDC LIHTC housing project; USDA RD 515 rental housing for seniors or multi-family units; or promote financial counseling and down payment assistance programs for LMI families.

Document actions taken at the local level to address fair housing impediments identified in the statewide study. Flyers, public notices, informational brochures of services to address identified impediments, notices of workshops or forums to educate the public or a sector of the public on addressing an impediment will suffice to document an official action by a grantee.

For recommended actions to address impediments or to affirmatively further fair housing go to:

1) [www.ded.mo.gov](http://www.ded.mo.gov)

click on “communities”

click on “state programs”

click on “Community Development Block Grant”

click on “CDBG Forms”

Scroll to “Civil Right” to access DED’s list of recommended annual actions

2) [www.labor.mo.gov/mohumanrights/fair\\_housing\\_project.asp](http://www.labor.mo.gov/mohumanrights/fair_housing_project.asp)

3) [www.ehoc@ehocstl.org](mailto:www.ehoc@ehocstl.org)

**Grantee’s Annual Official Action to Affirmatively Further Fair Housing**

Title I of the Housing and Community Development Act of 1974, as amended, requires that recipients of HUD funding (including states and their grantees) affirmatively further fair housing. This typically takes the form of promoting and publicizing Fair Housing and Civil Rights laws.

Below are examples of annual official actions a grantee can select to take. Adoption of a Fair Housing Ordinance is a program requirement; therefore, something in addition to this should be done as a furtherance action.

**Suggested Fair Housing Furtherance Actions:**

1. Develop and display informational materials to promote local awareness of fair housing laws and guidelines (fair housing pamphlets, fair housing logo on official website, fair housing policy statements, etc.). **Get ideas, flyers, pamphlets, PSAs, and other resources from the Missouri Human Rights Commission’s *Show Me Fair Housing Awareness Project* website.**
2. Obtain housing units outside areas of minority concentration for use as affordable housing, such as a Rural Development 515 housing complex or a Missouri Housing Development Commission LIHTC housing development or mixed income housing development.
3. Schedule special fair housing activities during April, which is National Fair Housing Month. Many grantees adopt and publish a Fair Housing Month proclamation similar to the sample distributed each year by the CDBG Program. Some grantees host an educational program.
4. Post and publish any revisions or changes to local, state, or federal Fair Housing policies.
5. Display State and Federal fair housing posters in places of public accommodation throughout the community.
6. Encourage active participation in community efforts to enact strong fair housing policies.
7. Offer outreach, counseling, and referral services to aid LMI persons residing in areas of minority concentration to find assisted housing outside those areas.

8. Facilitate the development of a local Habitat for Humanity chapter in your jurisdiction, or support activities of a local Habitat chapter already in existence. A list of active chapters in Missouri can be accessed through the national HFH website at: [www.habitat.org](http://www.habitat.org)
9. Conduct educational programs focused on prospective homebuyers or renters, businesses, local government employees, and members of housing-related industries (e.g., real estate agents, mortgage lenders, builders, homeowners' insurance companies, etc.) regarding fair housing rights and responsibilities.
10. Develop public information and educational programs to provide fair housing information to the community. Recipients can focus these programs on the following types of groups:
  - Citizen groups concerned with housing issues (fair housing groups, tenant associations)
  - Organizations representing specific population groups (minorities, women, senior citizens, families with children, single-parent families, etc.) known to have suffered from discriminatory practices in the past
  - Other local organizations (advocacy groups, unions, voters' leagues)

Methods which can be used to inform and involve the public in Fair Housing awareness efforts may include (but not be limited to) the following:

- Canvassing the community through a mail campaign, which could involve inserting a flyer in local utility bills or tax statements
- Placing a public service announcement on local radio and/or a community cable television access channel
- Sponsoring a Fair Housing poster contest in local schools
- Encourage local lending institutions, realtors, insurers, and other housing-related service providers to include the Fair Housing logo and policy statements in all advertising done through the Internet or related means, such as Community Information Networks, local cable access channels, etc.

11. Use local resources to assess public opinion about the status of fair housing in the community.  
Suggested contacts for this effort would include:

- Fair housing organizations
- Public/private community centers and social service facilities
- Civil rights advocacy groups
- Organizations representing minorities, women, senior citizens, persons with disabilities, and other protected status categories

12. Invite a representative from a Federal or State agency concerned with Fair Housing issues to a local advocacy group meeting or informational program.
13. Provide funding for local fair housing organizations, and assist in their development.
14. Acquire sites outside areas of minority concentration for the development of assisted housing.
15. Assemble a comprehensive inventory of available land suitable for the development of assisted housing.

## Opening Doors for All Missourians

The *Show-Me Fair Housing Awareness Project* has made a significant impact toward the goal of opening doors for all Missourians. Originally designed to service Missouri's southeastern communities where nationally-publicized cases of mortgage fraud revealed a dire need for an educational program on fair housing rights and safeguards against predatory lending, the *Show-Me Fair Housing Awareness Project* has reached an estimated audience of over 100,000 and fostered partnerships with more than 100 local communities and service organizations, resulting in increased fair housing awareness in the region's diverse population.

Now in its third year, the *Show-Me Fair Housing Awareness Project* broadens its scope to provide fair housing education to Missourians in areas adversely affected by natural disasters, including the flood-ravaged communities of southeast Missouri as well as communities like Joplin that are rebuilding and recovering from unprecedented natural events. The expanded project serves both home seekers and providers and includes radio public service announcements and widespread distribution of fair housing literature.

In southeast Missouri, students participated in a youth **poster and journalism contest** in partnership with Lincoln University Extension, and constituents are being offered free workshops and one-on-one housing counseling in collaboration with **United Migrant Opportunity Services**, an organization primarily serving migrant and seasonal farm workers and food processing employees in the region.

In Joplin, free public presentations provide fair housing information to the community, with special emphasis on reaching underserved populations, including veterans, persons with disabilities, the elderly, low-income families, and minority populations. An analysis of local policies and laws in Jasper and Newton counties for existing barriers to fair housing choice may identify ways to create greater equal housing opportunities and enrich neighborhoods.

MCHR is also expanding and disseminating a practical guide addressing ways to affirmatively further fair housing to be shared with local government officials statewide, a resource to assist local jurisdictions in meeting their responsibility to further fair housing.

For more information about the *Show-Me Fair Housing Awareness Project*, your fair housing rights and responsibilities, or the MCHR complaint process, call 573-751-3325 or toll-free at 877-781-4236.

## COMPLAINT PROCESSING

Within the context of the Missouri CDBG program a civil rights complaint alleges discrimination based on race, national origin, religion, color, sex, age, handicap, or familial status in program-related benefits, employment, contracting, or fair housing practices. If a complaint arises, a full report should be sent to DED. DED will then forward the information to HUD and a corrective action will be decided upon. CDBG grantees, including counties, are to have local policies in place that provide a mechanism for processing Fair Housing complaints within their jurisdiction, such as a complaint procedure for processing a complaint under its adopted Fair Housing Ordinance.

## STATE PROCEDURES FOR HANDLING CIVIL RIGHTS COMPLAINTS OF DISCRIMINATION

Civil Rights complaints relevant to the Missouri CDBG Program allege discrimination based on race, national origin, religion, color, sex, age, handicap, or familial status in program-related benefits, employment, contracting, or fair housing efforts. When a written complaint is sent to the Missouri Department of Economic Development (DED), either directly by a complainant from a CDBG-funded city or county, DED will refer the matter to the grantee's designated local intake officer for resolution. If the matter is not resolved at the local level, DED will refer the complaint to the Missouri Commission on Human Rights, or, the appropriate HUD office:

Fair Housing Hub	Phone:	913-551-6958
U.S. Department of Housing and Urban Development (HUD)	Toll Free:	800-743-5323
Kansas City Region VII Office	TTY:	913-551-6972
Office of Fair Housing and Equal Opportunity		
Gateway Tower II		
400 State Avenue, Room 200		
Kansas City, KS 66101-2406		

*Other field office in Missouri:*

U.S. Department of Housing and Urban Development (HUD)	Phone:	314-539-6322
Office of Fair Housing and Equal Opportunity	TDD:	314-539-6331
1222 Spruce Street		
St. Louis, MO 63102		

### Additional Resources

National Fair Housing Alliance	Phone:	202-898-1661
1101 Vermont Ave. NW, Suite 710		
Washington, DC 20005		
<a href="http://www.nationalfairhousing.org/">http://www.nationalfairhousing.org/</a>		

National Fair Housing Complaint Hotlines  
Office of Fair Housing and Equal Opportunity  
U.S. Department of Housing and Urban Development  
451 Seventh Street SW, Room 5204  
Washington, DC 20410-2000

Toll Free: 800-669-9777

HUD Internet website for filing Fair Housing complaints  
<http://www.hud.gov/offices/fheo/online-complaint.cfm>

Title VIII housing discrimination complaints, which may or may not be CDBG-related, can be filed with either HUD or the appropriate State agency:

Missouri Commission on Human Rights  
P.O. Box 1129  
3315 W. Truman Boulevard  
Jefferson City, MO 65102-1129  
Email: [mchr@labor.mo.gov](mailto:mchr@labor.mo.gov)  
Website: [www.labor.mo.gov/mohumanrights](http://www.labor.mo.gov/mohumanrights)

Phone: 573-751-3325  
FAX: 573-751-2905

**Toll Free Discrimination Complaint Hotline**  
877-781-4236

**Relay Missouri**  
Toll Free/Voice: 866-735-2460  
TDD: 800-735-2966

**MCHR Field Offices:**

St. Louis  
111 North 7<sup>th</sup> Street, Suite 903  
St. Louis, Missouri 63101-2100  
Phone: 314-340-7590  
FAX: 314-340-7238

Kansas City  
1410 Genessee, Suite 260  
Kansas City, MO 64102  
FAX: 816-889-3582

Sikeston  
106 Arthur Street, Suite D  
Sikeston, Missouri 63801-5454  
FAX: 573-472-5321

Springfield  
Post Office Box 1300  
Ozark, Missouri 65721-1300  
FAX: 417-485-6024

## SUMMARY OF PROGRAM REQUIREMENTS

The following actions must be taken by all grantees, including counties, in the area of civil rights, fair housing, and equal opportunity:

1. Fair Housing Ordinance: Develop and enact a local fair housing ordinance that is substantially equivalent to current Federal fair housing law and provides an effective enforcement mechanism to which local resources are committed. DED has a model ordinance on our website for your use.
2. Excessive Force Ordinance: Develop and enact local laws, or guarantee enforcement of existing policies, prohibiting the use of excessive force by law enforcement personnel, within the grantee's jurisdiction, against non-violent civil rights demonstrations. This policy should also include a prohibition against the physical barring of the entrance or exit to a facility or location that is the subject of such demonstration.
3. Annual Official Action to Address an Impediment: Plan and implement an official action on an annual basis, by the annual date of funding approval, to address one of the states identified impediment to fair housing choice within the grantee's jurisdiction.
4. Annual Official Action to Affirmatively Further Fair Housing: Plan and implement an official action on an annual basis, by the annual date of funding approval, to affirmatively further fair housing within the grantee's jurisdiction.
5. Section 504 Compliance: Complete the Section 504 self-evaluation in this chapter. If the grantee has more than 15 employees, complete the Accessibility Transition Plan. Take the necessary local action(s) to create accessibility to all publicly owned or leased facilities. Reduce or eliminate any disparate impact to disabled citizens.

The DED staff can provide sample ordinances/resolutions and technical assistance materials that can be used as a guide in developing and implementing appropriate local policies.

## DED MONITORING

The DED staff will monitor for program compliance through site visits reviews to the project. Your DED field representative will use the Equal Opportunity/Civil Rights monitoring checklist, in the Program Administration Chapter of the CDBG Administrative Manual, to review grantee compliance.

Please have the following records in your project's files:

- Annual actions taken to reduce an impediment to fair housing
- Actions taken to affirmatively further fair housing
- List of MBE, WBE, Section 3/DBE contractors for construction bid
- List of MBE, WBE, Section 3/DBE contractors for each professional services bid
- Equal opportunity construction bid and RFP/RFQ advertising statements
- Employment data summaries, if grantee hired an employee for project paid with CDBG funds
- Develop a written Section 3 Affirmative Action Plan for all grants of \$200,000 and above
- Section 3 employment efforts and business utilization reports (Tables C and D) from contractors
- Annual Section 3 Summary Report due on January 2nd of each year your project is open
- Annual Contractor & Subcontractor Activity Report (CR-4) due on October 2nd of each year
- Complaints (if any) and their resolution

### \*\*CIVIL RIGHTS HELPFUL HINTS\*\*

- ❖ Develop a list of MBE, WBE, DBE, & Section 3 firms to directly solicit for the project's construction and professional services contracts
- ❖ Make sure your construction bidders complete the Section 3 forms
- ❖ Submit Section 3 Summary Report annually on January 2<sup>nd</sup>
- ❖ Submit Contractor and Subcontractor Activity Report annually on October 2<sup>nd</sup>
- ❖ Include civil rights certifications in all project contracts; in both the construction and the professional services contracts
- ❖ An activity to **further fair housing** is not the same as an action intended to **reduce impediments to fair housing choice**. The grantee must produce one activity for each per year that the grant is open
- ❖ Use Missouri Commission on Human Rights Show Me Fair Housing website for samples of annual official actions to affirmatively further Fair Housing that a grantee may use
- ❖ Document all direct and indirect project beneficiaries in preparation for the Close-out Report

## CONTRACT SOLICITATION RECORD

Grantee	Date			
Type of Contract or Purchase	CDBG Project #			
Firm/Vendor Name Address	Federal Tax ID#	Phone or FAX number (please specify)	Date Contacted	Bid or Response

### **Instructions for Completing the Contract Solicitation Record**

- The form must be completed for every contract that the grantee awards using CDBG funds.
- The grantee must provide the name and address of each firm or vendor and the date they were informed.
- The specific amount of the bid or quote should be listed for each responding firm or vendor.
- A code number indicating the type of business ownership must be recorded in the appropriate column. The codes are listed at the bottom of the form.

MO 419-2889 (05-07)

### **Reporting of MBE/WBE and Section 3 Compliance Efforts**

To insure appropriate documentation on a timely basis, the CDBG program has developed a Contract Solicitation Record for use in maintaining an internal record of efforts to involve target group (MBE/WBE and Section 3) businesses in a project. This can be a helpful tool in verifying solicitation of bids, price quotations, and proposals from all participating contractors and professional service providers.

The Contract Solicitation Record form can also be used as a reference in completing the Contract and Subcontract Activity Report, formerly known as the Minority Business Participation Report, **which must be submitted to CDBG by October 15 each year for activities occurring within the previous twelve-month period**. Instructions for completing the report are found on the back of the report form.

The following two report forms must be completed and submitted annually to DED:

- 1) Contract and Subcontract Activity Report – Submit Annually to DED on October 2<sup>nd</sup>
- 2) Section 3 Summary Report – Submit Annually to DED on January 2<sup>nd</sup>



## **CONTRACT AND SUBCONTRACT ACTIVITY – ANNUAL REPORT DUE ON OCTOBER 2ND**

MO 419-2887 (05/07)

Racial Codes

6. White
  1. Black or African American
  2. American Indian or Alaska Native
  3. Asian
  4. Native Hawaiian or Other Pacific Islander

## INSTRUCTIONS FOR COMPLETING CONTRACT AND SUBCONTRACT ACTIVITY REPORT

### Explanation by Column

1. Grantee – enter the name of the unit of government submitting this report
2. Location – location of activity
3. CDBG project number
4. Contact person – enter name of person responsible for maintaining and submitting contract/subcontract information for the grantee
5. Enter phone number of contact person
6. Enter the reporting period (Twelve month period beginning October 20\_\_)
7. Enter date the report is submitted to CDBG
8. Grant Activity Number – enter applicable activity number from Funding Approval
9. Amount of contract/subcontract – enter the exact dollar amount. If subcontractor ID number is provided in 15, the dollar figure would be for the subcontract only and not for the prime contract.  
**Be certain to report only CDBG funds in this column.**
10. Business Racial Code – enter the single numeric code (1 thru 5) which indicates the racial/ethnic character of the owner(s) and controller(s) of 51% or more of the business. When 51% or more is not owned and controlled by any single racial/ethnic category, enter the code that seems most appropriate. If the subcontractor ID number is provided, the code would apply to the subcontractor and not the prime contractor.
11. Hispanic – enter yes or no indicating whether or not the owner/controllers are of Hispanic origin. Yes would indicate a person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race.
12. Female-Owned Business – enter yes or no indicating whether or not the business is female-owned. A female-owned business is one that is 51% or more owned or controlled by a female(s).
13. Section 3 Business – enter yes or no indicating whether or not the contract is with a Section 3 business. A Section 3 business is one that is either 51% owned by Section 3 residents, 30% of all full-time employees are Section 3 residents, or 25% of all subcontracts are awarded to Section 3 businesses.
14. Contractor Identification (ID) Number – enter the Employer (IRS) number of the prime contractor as the unique identifier for the prime recipient of CDBG funds. **Note that the IRS number must be provided for each contract/subcontract awarded.**
15. Subcontractor Identification (ID) Number – enter the Employer (IRS) number of the subcontractor as the unique identifier for each subcontract awarded from CDBG funds. When subcontractor ID number is provided, the respective prime contractor ID number must also be provided.
16. Contractor/Subcontractor Name and Address – enter this information for all firms receiving contract/subcontract activity. This information needs to be listed only once per firm on each page of the report.

**Annual Report – Due on January 2nd**

**Section 3 Summary Report**

Economic Opportunities for Low—and Very Low-Income Persons

1. Grantee Name & Address (street city state zip)	2. Grant Number		3. Total Amount of CDBG Award		
	4. Contact Person Name		5. Contact Person Phone		
	6. Grant Award Date		7. Date Report submitted		
<b>Part I: Employment and Training</b> (** Columns B, C and F are mandatory fields      Include New Hires in E & F)					
A Job Category	B Number of New Hires	C Number of New Hires that are Sec. 3 Residents	D % Aggregate Number of Staff Hours of New Hires that are Sec. 3 Residents	E % of Total Staff Hours for Section 3 Employees and Trainees	F Number of Section 3 Trainees
Professionals					
Technicians					
Office/Clerical					
Construction by Trade (List)					
Trade					
Other (List)					
Total					

<b>Part II: Contracts Awarded</b>		
1. Construction Contracts:		
A. Total dollar amount of contracts awarded (CDBG funds only)		\$
B. Total dollar amount of contracts awarded to section 3 businesses (CDBG funds only)		\$
C. Percentage of the total CDBG Contract dollar amount that was awarded to Section 3 businesses (B divided by A)		%
D. Total number of section 3 businesses receiving CDBG contracts/monies		
2. Non Construction Contracts		
A. Total dollar amount of non-construction contracts awarded (CDBG funds only)		\$
B. Total dollar amount of non-construction contracts awarded to section 3 businesses (CDBG funds only)		\$
C. Percentage of the total CDBG non-construction contract dollar amount that was awarded to Section 3 businesses		%
D. Total number of section 3 businesses receiving CDBG non-construction contracts		

## Annual Report – Due on January 2nd

### Part III: Summary of Efforts

If no Section 3 persons were hired, or no Section 3 contracts were awarded, please provide a brief explanation as to why.

### Instructions for Completing Form:

1. Enter the name and address of the CDBG Grantee
2. Grant Number
3. Enter the dollar amount of the grant **CDBG FUNDS ONLY**
4. Name of person completing form
5. Contact information for person completing form.
6. Date Grant Awarded
7. Date this report was submitted

#### Part I: Employment and Training opportunities

- **Column A:** Contains various job categories. Professionals are defined as people who have special knowledge of an occupation such as architects, grant administrators, engineers, etc. For construction positions, list each trade and provide data in columns B through F for each trade where persons were employed. The category of "Other" includes occupations such as service workers
- **Column B: (Mandatory Field)** Enter the number of new hires for each category of workers identified in Column A in connection with this grant award. "New hires" refers to a person who is not on either the recipient's or the contractor's payroll at the time the grant was awarded.
- **Column C: (Mandatory Field)** Enter the number of Section 3 new hires for each category of workers identified in Column A in connection with this grant award. "Section 3 New hires" refers to a Section 3 resident who is not on either the recipient's or the contractor's payroll at the time the grant was awarded.
- **Column D:** Enter the percentage of Section 3 New Hire staff hours spent on this grant  
(Section 3 New Hire Hours ÷ Total New Hire Hours)
- **Column E:** Enter the percentage of the total staff hours worked by Section 3 employees and trainees on this grant—including new hires. Also include staff hours for full time and part time employees.  
(Section 3 Employee Hours ÷ Total Employee Hours)
- **Column F: (Mandatory Field)** Enter the number of Section 3 residents that were trained in connection with this grant.

#### Part II: Contract Opportunities

##### Block I: Construction Contracts

- Item A:** Enter the total dollar amount of contracts awarded on the grant (CDBG dollars only).
- Item B:** Enter the dollar amount of Section 3 contracts awarded on the grant (CDBG dollars only).
- Item C:** Enter the percentage of Section 3 contracts awarded on the grant (CDBG dollars only).  
Section 3 contract dollars ÷ Total contract dollars.
- Item D:** Enter the number of Section 3 businesses receiving contract awards in association with this grant.

##### Block II: Non-Construction Contracts

- Item A:** Enter the total dollar amount of contracts awarded on the grant (CDBG dollars only).
- Item B:** Enter the dollar amount of Section 3 contracts awarded on the grant (CDBG dollars only).
- Item C:** Enter the percentage of Section 3 contracts awarded on the grant (CDBG dollars only).  
Section 3 contract dollars ÷ Total contract dollars.
- Item D:** Enter the number of Section 3 businesses receiving contract awards in association with this grant.

#### Part III: Summary of Efforts—Self Explanatory.

## Section 504

Missouri CDBG grantees are required by Federal law and program regulations to conduct a self-evaluation of accessibility to determine if their current programs, services, policies, and practices meet the requirements of Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act (ADA).

### CDBG MODEL SELF-EVALUATION FOR SECTION 504/ADA ACCESSIBILITY COMPLIANCE

The following technical assistance questionnaire is separated into three sections. Grantees who have less than 15 full time employees need only complete Part I; grantees that employ 15 or more full time employees are required to complete Part I, Part II, and Part III. **All grantees** are required to complete the relevant portions of this questionnaire and maintain this information in the Citizen Participation file for public review and on-site monitoring by CDBG field staff.

How many full time employees does the grantee have? \_\_\_\_\_

#### **Part I (to be completed by all grantees)**

1. Briefly, describe your community's programs and services, including their purpose, scope, activities, and participants. The following includes examples of public services you might provide that would be covered under the Act:
  - a. Water and sewer service, or other municipal utilities such as electricity, natural gas, etc.
  - b. Parks and Recreation programs
  - c. Transportation infrastructure (streets, sidewalks, public transit, etc.)
2. Provide a brief description of the various policies that direct the operation of the programs and services you listed. Identify any current exceptions, special provisions, or separate programs designed for persons with disabilities.
3. Identify any program qualifications, eligibility, admission requirements, or licensing standards that an individual must meet that might negatively affect individuals with disabilities. For each item answered that appears to have a negative effect, include a description of action(s) planned to reduce or eliminate the disparate impact.
  - a. Do you currently provide a qualified disabled individual the opportunity to participate in, or benefit from, the aid, benefit, or service you provide? Examples might include accessibility to the spectator seating area at the city's baseball field, or the rodeo arena at the county fairgrounds.
  - b. Do you provide opportunities for participation or benefit to the disabled, equal to opportunities afforded the population at large?
  - c. Do you avoid providing different or separate aids, benefits, or services to a qualified individual with a disability unless proven necessary to make them as effective as the aids, benefits, or services provided to others?
  - d. Do you exercise due diligence to avoid assisting or contracting with any persons or entities that are known to discriminate based on disability?

- e. Do you allow qualified disabled individuals a full opportunity to participate in all local policy planning or advisory boards? This includes providing reasonable accommodations in the scheduling of time and/or location of meetings, use of auxiliary aids including guide dogs, etc.
4. In the area of employment, describe your policies, practices, or procedures followed to ensure non-discrimination based on disability in:
  - a. Public advertising of vacant positions and other job opportunities
  - b. Processing and review of applications
  - c. Testing and minimum requirements as a condition of employment
  - d. Interviewing, including responding to requests for accommodation and use of nondiscriminatory questions
  - e. Promotion/demotion, layoff/reinstatement, or transfer, including changes in compensation resulting from these actions
  - f. Job assignments/classifications and nondiscriminatory treatment by supervisory personnel
  - g. Access to benefits, including policies on use of vacation and sick leave, unpaid leave of absence, and compensatory time. Also include opportunities for training, attendance at conferences, or other supported activities, including recreational or social programs, health and insurance benefits, etc.
  - h. Process for considering a request for a reasonable accommodation on the job, including method of determining whether an individual with a disability is capable of performing the essential functions of a particular job with or without a reasonable accommodation
5. To insure that your communication with disabled applicants, participants, and members of the public are as effective as communications with non-disabled individuals, the grantee should address the following:
  - a. If any written materials are produced on a program or service, indicate whether the following alternative formats are provided:

1. Audio tape	<input type="checkbox"/> Yes	<input type="checkbox"/> No
2. Braille	<input type="checkbox"/> Yes	<input type="checkbox"/> No
3. Reader	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4. Aide	<input type="checkbox"/> Yes	<input type="checkbox"/> No
5. Mailed to home	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6. Large print format	<input type="checkbox"/> Yes	<input type="checkbox"/> No
7. Interpreter	<input type="checkbox"/> Yes	<input type="checkbox"/> No
8. Other assistance	<input type="checkbox"/> Yes	<input type="checkbox"/> No
  - b. How would a disabled person learn about these auxiliary aids and services, and how could they request such assistance from you?
  - c. How will you ensure that meetings, hearings, and conferences are accessible for individuals with communication disabilities?

- d. Do you currently offer TDD (telecommunication device for the disabled) access within your communications system?
- e. Is 911 or E-911 emergency service offered within your jurisdiction? If so, is there a TDD connected to your system?
- f. Do you have a toll-free phone number to access services and programs? If so, is it usable by persons with hearing impairments?
- g. Do you have any public telephones located within your facilities? If so, is at least one phone hearing aid compatible?
- h. If you determine that equally effective communication cannot be provided, you must include a statement in your self-evaluation explaining why the service, program, or activity would be fundamentally altered or result in undue financial and administrative burdens. You must also include a description of alternative actions that will be taken to provide the benefits or services to the maximum extent possible.

**Part II (to be completed by grantees with 15 or more employees)**

1. Do you have a policy regarding non-discrimination on the basis of disability that is in compliance with CDBG requirements?       Yes       No

If you answered No to this question, you may contact the CDBG office for a sample policy and initial notice. If you answered Yes to this question, have you published a notice regarding this policy? (Please include the publication date.)

2. Is a copy included in the appropriate project files with your self-evaluation and other related documentation?       Yes       No
3. Does your Notice of Nondiscrimination include the following:

- a. Contact information for your 504/ADA coordinator       Yes       No
- b. How to request auxiliary aids or other services       Yes       No
- c. That alternative formats are available       Yes       No
- d. That a complaint grievance procedure has been adopted       Yes       No

4. Do you have a grievance procedure?       Yes       No

If you answered No, then you must adopt one for successful completion of this project. You may contact the CDBG office for a sample copy.

If you answered Yes, does it include the following?

- a. A statement allowing an individual to submit a grievance in alternative formats       Yes       No
- b. A time limit for filing a grievance procedure       Yes       No
- c. Information on how to also file a complaint through appropriate State or Federal agencies       Yes       No

**Part III Section 504 Accessibility Transition Plan (to be completed by grantees with 15 or more employees)**

Please complete the attached Section 504 Transition Plan Outline for **EACH** publicly owned facility in your jurisdiction.

I have reviewed the above self-evaluation and believe it to be accurate as of this date.

---

Signature, Chief Elected Official

---

Date

**SECTION 504 ACCESSIBILITY TRANSITION PLAN OUTLINE**

Date: \_\_\_\_\_

Name of person completing this form: \_\_\_\_\_

Title: \_\_\_\_\_

Phone Number: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

Name and address of facility:

Necessary structural changes (if needed):

Type of action to be taken:

Person responsible for overseeing action:

Projected start date for action:

Projected completion date for action:

Projected cost for completing project:

**RESOLUTION NO. \_\_**

**SECTION 504/ADA GRIEVANCE PROCEDURE**

The *City/County* of \_\_\_\_\_ has adopted an internal grievance procedure providing for prompt and equitable resolution of complaints alleging any action prohibited by the Americans With Disabilities Act (ADA) and implementing Section 504 of the Rehabilitation Act of 1973 as amended (29 U.S.C. 794). Section 504 states, in part, that “no otherwise qualified individual with a disability....shall, solely by reason of her or his disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.”

1. Complaints should be addressed to \_\_\_\_\_, who has been designated by the *City/County* to coordinate Section 504/ADA compliance efforts. Complaints should be filed in writing or verbally, contain the name and address of the person filing it, and briefly describe the alleged violation of the regulations.
2. A complaint should be filed within 10 days after the complainant becomes aware of the alleged violation. (Processing allegations of discrimination that occurred before this grievance procedure was in place will be considered on a case-by-case basis.)
3. An investigation, as may be appropriate, will follow a filing of a complaint. The Section 504/ADA Coordinator will be in charge of the investigation. These rules contemplate informal but thorough investigations that afford all interested persons and their representatives an opportunity to submit evidence relevant to a complaint.
4. A written determination as to the validity of the complaint and a description of the resolution, if any, will be issued by the Section 504/ADA Coordinator and a copy forwarded to the complainant no later than 30 days after its filing.
5. The Section 504/ADA Coordinator will maintain the files and records of the *City/County* relating to the complaints filed.
6. The complainant can request a reconsideration of the case in instances where he/she is dissatisfied with the resolution. The request for reconsideration should be made within 10 days to the *Mayor/Presiding Commissioner*.
7. Using the grievance procedure is not a prerequisite to the pursuit of other remedies, including the filing of a Section 504 or ADA-related complaint with the responsible Federal department or agency.
8. These rules will be construed to protect the substantive rights of interested persons, meet appropriate due process standards, and assure that the *City/County* complies with the ADA, Section 504 and all implementing regulations.

This procedure was adopted by the *City/County* of \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_.

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*Mayor/Presiding Commissioner*

---

Attest

## SUMMARY OF CIVIL RIGHTS LAWS, EXECUTIVE ORDERS, AND REGULATIONS

CDBG grantees must assure that all project activities will be administered in compliance with civil rights laws and regulations. The following are summaries of those parts of the civil rights laws and regulations that are applicable to CDBG activities.

**Title VI of the Civil Rights Act of 1964** provides that no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

**Title VIII of the Civil Rights Act of 1968**, as amended, provides that no person shall, on the basis of race, color, religion, sex, national origin, handicap, or familial status, be discriminated against in housing (and related facilities) provided with Federal assistance or lending practices with respect to residential property when such practices are connected with loans insured or guaranteed by the Federal Government.

**Section 109 of the Housing and Community Development (HCD) Act of 1974**, as amended, provides that no person in the United States shall, on the ground of race, color, national origin, religion, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under Title I of the Housing and Community Development Act of 1974.

**Section 3 of the Housing and Urban Development Act of 1968**, as amended, provides that, to the greatest extent feasible, opportunities for training and employment shall be given to recipients of public housing and lower-income residents of the unit of local government or the metropolitan area (or non-metropolitan county) in which the project is located. Contract work in connection with such projects shall be awarded to business concerns which are owned in substantial part by persons residing in the same metropolitan area (or non-metropolitan county) as the project, employ Section 3 residents in full-time positions, or subcontract with businesses which provide economic opportunities to lower income persons.

**Section 503 of the Rehabilitation Act of 1973**, as amended, provides for nondiscrimination in contractor employment. All recipients of Federal funds must certify Affirmative Action for Handicapped Workers in all contracts issued:

1. The contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The contractor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices, such as employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
2. The contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
3. In the event of the contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
4. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, provided by or through the contracting officer. Such notices shall state the contractor's obligation under the law to take

affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment and the rights of applicants and employees.

5. The contractor will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding that the contractor is bound by the terms of Section 503 of the Rehabilitation Act of 1973 and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.
6. The contractor will include the provisions of this clause in every subcontract or purchase order of \$2,500 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Act, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontractor or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

**Section 504 of the Rehabilitation Act of 1973**, as amended, provides for nondiscrimination of an otherwise qualified individual solely on the basis of his/her handicap in benefiting from any program or activity receiving Federal financial assistance. All recipients must certify to compliance with all provisions of Section 504.

**Age Discrimination Act of 1975** provides that no person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

**Executive Order 11063**, as amended, directs all departments and agencies to take all action necessary and appropriate to prevent discrimination in housing and related facilities owned or operated by the Federal Government or provided with Federal financial assistance and in the lending practices with respect to residential property and related facilities (including land to be developed for residential use) of lending institutions, insofar as such practices relate to loans insured or guaranteed by the Federal Government.

**Executive Order 11246**, as amended, provides that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in any phase of employment during the performance of Federal or federally assisted construction contracts in excess of \$10,000. Grantees shall comply with Executive Order 11246, as amended by Executive Order 12086, and the regulations issued pursuant thereto (41 CFR Chapter 60), which provide that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in all phases of employment during the performance of Federal or Federally assisted construction contracts. As specified in Executive Order 11246 and the implementing regulations, contractors and subcontractors on Federal or Federally assisted construction contracts shall take affirmative action to ensure fair treatment in employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training and apprenticeship.

**Section 106(d) (5) (B) of Title I of the Housing Community Development Act of 1974**, as amended, provides that the grantee will affirmatively further fair housing.

**Section 519 of Public Law 101-144** (the 1990 HUD Appropriations Act) requires each unit of general local government which receives Title I funds to adopt and enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations.

**Section 906 of the Cranston-Gonzales National Affordable Housing Act**, as amended by subsection 104(1) of the HCD Act of 1974, states that no CDBG funds may be obligated or expended to any unit

of general local government that fails to adopt and enforce a policy of prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations or fails to adopt and enforce a policy of applicable state and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstration within its jurisdiction.

**Note:** Unlike the similar prohibition in the 1990 HUD Appropriations Act, Section 906 clearly applies to all units of general local government, including counties.

## A GUIDE TO CIVIL RIGHTS LAWS AND THEIR APPLICABILITY TO VARIOUS CDBG-FUNDED ACTIVITIES

### *Benefits, Services, Methods of Administration*

- \* Title VI, Civil Rights Act of 1964
- \* Section 109, Housing and Community Development (HCD) Act of 1974, as amended
- \* Section 504, Rehabilitation Act of 1973, as amended
- \* Age Discrimination Act of 1975, as amended
- \* Section 104, HCD Act of 1974, as amended

### *Housing and Related Facilities*

- \* Title VIII, Civil Rights Act of 1968, as amended (Federal Fair Housing Law)
- \* Executive Order 11063, as amended
- \* Section 104, HCD Act of 1974, as amended

### *Employment*

- \* Section 109, HCD Act of 1974, as amended
- \* Section 3, Housing and Urban Development Act of 1968, as amended
- \* Executive Order 11246, as amended
- \* Sections 503 and 504, Rehabilitation Act of 1973, as amended

### *Contracting (Business Opportunities)*

- \* Section 109, HCD Act of 1974, as amended
- \* Section 3, HCD Act of 1968, as amended

### *Displacement/Relocation*

- \* Title VI, Civil Rights Act of 1964
- \* Section 109, HCD Act of 1974, as amended
- \* Title VIII, Civil Rights Act of 1968, as amended
- \* Section 104, HCD Act of 1974, as amended

## **CHAPTER VI**

### **LABOR STANDARDS**

#### **Introduction**

The labor standards and prevailing wage rules that apply to most Federally-supported public works initiatives are also relevant to the Missouri CDBG program. Day-to-day enforcement responsibilities are considered a function of the State and its grantees as defined in the Federal Reorganization Plan No. 14 of 1950. Labor Standards requirements that apply to contracts partially or totally paid with Missouri CDBG program funds are primarily authorized through four key statutes:

- Davis-Bacon and Related Acts (Federal)
- Copeland Anti-Kickback Act (Federal)
- Contract Work Hours and Safety Standards Act (Federal)
- Missouri Prevailing Wage Law (State)

#### **Key provisions of each law are summarized as follows:**

The Davis-Bacon Act, as extended to Federal funding recipients contracting for construction work through approximately 60 “related acts” including the Housing and Community Development Act of 1974, basically requires that workers receive no less than the prevailing wages being paid for similar work in their locality. Prevailing wages are determined by the U.S. Department of Labor (USDOL) and are issued in the form of Federal wage decisions for each classification of work. The law applies to construction and major alteration or repair contracts over \$2,000. The USDOL publishes wage decisions for Missouri covering Heavy/Highway, Building, and Residential construction categories.

The Copeland Anti-Kickback Act makes it a criminal offense for a person to induce anyone employed in the construction, completion, or repair of any public building, public work, or building, or work financed in whole or in part by loans or grants from the United States, to give up any part of the compensation to which the employee is otherwise entitled. The Act also defines allowable payroll deductions, specifies methods of paying wages to covered employees, and requires the submission of weekly payrolls in conjunction with statements of compliance by all contractors in a format that meets the statutory requirements of 29 CFR Section 5.5.

The Contract Work Hours and Safety Standards Act (CWHSSA) requires payment of overtime compensation at a rate of 1½ times the basic hourly wage after working 40 hours in a work-week. The specific provisions of this Act only apply to all CDBG-funded construction contracts over \$100,000; however, the overtime requirements in the Federal Fair Labor Standards Act are generally enforceable for all contracts and subcontracts (regardless of size) covered under Davis-Bacon provisions.

The Missouri Prevailing Wage Law is comparable to the Federal law in requiring payment of prevailing wages, as determined each year by the Missouri Division of Labor Standards, to all laborers and mechanics on public works construction projects for both straight time and overtime as defined by the authorizing State statute (RSMo Chapter 290).

## LABOR STANDARDS REQUIREMENTS DURING THE BIDDING PROCESS

*Procedures that CDBG funding recipients should follow include:*

**1. Obtain the applicable Federal wage determination through your area Compliance Specialist.**

To receive a copy of the Federal wage determination, submit the Request for Wage Determination to our office no less than 10 days prior to the bid call date. Before doing so, it might be necessary to consult with DED along with the project architect or engineer to determine the correct "Character of Construction" by definition (Heavy/Highway, Building, or Residential). At that point the appropriate determination should be reviewed to insure that it includes all job classifications anticipated for the project. As an example, Building decisions for rural counties may not include all trades used in construction of CDBG-funded facilities such as community centers, or when public buildings must be retrofitted to comply with Section 504/ADA requirements.

**NOTE THIS!**

**If the Federal wage determination does not include all job classifications that will be utilized for your specific project, grantees are to complete HUD form 4230-A, titled as the "Report of Additional Classification and Rate", and submit this document to CDBG for forwarding to the U.S. Department of Labor.**

No less than 10 days prior to bid opening, contact our office to see if the rates that were initially provided have been modified. If so, we will send you the new decision and you must then provide the new rates to potential bidders (plan holders) by addendum. Federal wage determinations are generally "locked in" at the time of bid opening, and are then to remain in force for the life of the project.

**IMPORTANT INFORMATION:** Federal wage determinations are subject to update if the contract is not awarded within 90 days following the bid opening, or construction has not begun within 90 days of the award of the contract. Should either of those situations occur, the determination in effect at the time the contract is actually signed--or on the date construction work actually begins--must be obtained from DED and inserted in the construction contract through addendum. Failure to include the correct determination in the project contract will result in the grant recipient being held liable for any increase in labor costs.

**2. Obtain access to the State Annual Wage Order as supplied by the Missouri Division of Labor Standards through their Web site [www.labor.mo.gov/DLS/PrevailingWage/](http://www.labor.mo.gov/DLS/PrevailingWage/).**

Confirm that the document in the bid specifications includes the latest Incremental Increase published for that county. Once the bid call has been issued and advertisements are published, the Annual Wage Order remains in effect for the duration of the contract. In addition, when the project is advertised for bid, a "Prevailing Wage Project Notification-Contractor Information Notification" (PW-2) must be filed with the Missouri Division of Labor Standards. Grantees are encouraged to review other related documents such as the Prevailing Wage Law Check-Off list, and the Affidavit of Compliance with the Prevailing Wage Law which contractors must submit to the MoDLS prior to requesting final payment of public funds. These forms are provided electronically in conjunction with the Annual Wage Order.

## LABOR STANDARDS REQUIREMENTS DURING THE CONSTRUCTION PROCESS

### 1. Document contractor compliance by making sure all relevant provisions and certifications are in the construction contract/s.

USDOL regulations require all construction contracts subject to labor standards provisions to contain specific language and certifications. This manual contains sample documents that are to be included in HUD-funded construction contracts regardless of the participation of other public funding sources including MoDNR, USDA-Rural Development, MoDOT, EDA, etc.

### 2. Provide local oversight for enforcing labor standards provisions through the following:

- A. Coordinate with the consulting engineer or architect to schedule and conduct the Pre-Construction Conference. A sample format for Labor Standards-related topics to be covered is provided within this chapter.
- B. Submit the *Start of Construction Notification* form to DED. All information needed to complete this report should be available following the pre-construction meeting.
- C. Obtain weekly certified payrolls from all prime contractors and subcontractors (including the Statement of Compliance), and forward copies of initial payrolls to DED for verification of local approval. The standard Federal payroll form (WH-347) or equivalent must be used. Any evidence of underpayment or other discrepancies in the payrolls, which are successfully addressed at the local level, should be reported to our office along with corrective actions taken.

NOTE: The contractor's statement on the certification page that fringe benefits were paid into approved plans, funds, or programs must be accompanied by a breakdown of *bona fide* fringes expressed as an hourly equivalent amount for each employee or job classification. A guide for providing this documentation, along with the definition of fringe benefits allowed in *lieu* of cash payments, are included in this chapter.

As a standard objective, grantees should not submit requests to draw down CDBG construction funds until payrolls matching the time frame included in the contractors' pay invoices have been received and approved in accordance with these procedures.

### D. Conduct on-site inspections to help confirm contractor compliance by:

1. Confirming that posters explaining employee rights and the wage decisions are displayed on the job site, and;
2. Verifying through the employee interview process that correct prevailing wages are being paid.

The *Record of Employee Interview* should be utilized by the local Labor Standards designee or another responsible party to obtain information from a representative number of employees and job classifications, thereby helping to achieve a reasonable assurance of compliance. Employee interviews should be conducted at least monthly for the prime contractor, and whenever subcontractors are at work on the site. Objectivity is enhanced when the local labor standards designee, not the contractor, selects the employees to be interviewed. The interview is to be conducted only with the individual employee. The interviewer should obtain the information necessary to complete items #1-12(b) on the Record of Employee Interview, and then observe the employee at work for a period of time before completing items #13-15(c). Information from the interview should then be compared to the findings on review of the weekly certified

payrolls, indicated by completion of the “Payroll Examination” section of the form which is items #16-17(b).

Employee interviews may also be conducted by mail if necessary. This process should be limited to situations such as when subcontractors work on the job site for only a brief period of time, which might make personal interviews infeasible.

**NEW**

**PROCEDURE:**

1. Copies of OSHA cards (front and back sides) for each employee listed on certified payrolls must be submitted to DED.

## **Questions and Answers on Issues That Can Impact a CDBG Project**

### ***How do we know when to use Heavy/Highway, Building, or Residential wage rates?***

The decision on which type of wage rate schedule applies to a project can be complex, and often must be handled on a case-by-case basis. For example, the rules governing use of Heavy Construction (Heavy/Highway) or Building rates differ between the Federal and State interpretations, as reflected by the following information:

**FEDERAL:** All-Agency Memorandum No. 130, issued by the U.S. Department of Labor in 1978, defines Building construction as “the construction of sheltered enclosures with walk-in access for the purpose of housing persons, machinery, equipment, or supplies.” If certain construction activities on a project can be classified in this manner, the key is in determining whether Building construction activities by definition represent more than an “incidental” portion of the contract. Twenty percent of project cost is commonly used as a rough guide in making this decision, hence the use of the term “80/20 rule.”

An example would be construction or renovation to a water treatment plant that includes an enclosed structure to house equipment and controls. The grant administrator must first ask the question of whether the estimated cost of the building and related infrastructure (water and sewer, electricity, sidewalks, etc.) exceeds 20% of the total project cost. If the answer is “no”, then it may be assumed that the preponderance of project activities falls under the definition of Heavy construction and only the Heavy/Highway determination would be included in the project contract. If the answer is “yes”, multiple schedules must be included in the contract with Heavy/Highway rates in force for heavy construction activities, and Building rates effective for the activities related to the sheltered enclosure and supporting infrastructure located within the “footprint” of the treatment plant site.

**STATE:** According to 8 CSR 30-3.040 of the implementing rules for the Division of Labor Standards, the definition of Building construction includes “building structures, including modification, additions or repairs, or both, to be used for shelter, protection, comfort, convenience, entertainment or recreation, or for protection of people or equipment.” However, this also includes excavation work for the building; sidewalks, driveways, and parking lots in immediate proximity that provides direct access to the building; extension of water, sewer, and other utilities by work inside a building and to the curb line; and work on water and wastewater treatment plants within the fence line (emphasis added).

The Annual Wage Order provides only Building and Heavy Construction schedules for each county. Grantees must determine the type of work being done, and where the work is taking place in relation to the overall scope of the project, to know which schedule to use. Note that the Heavy construction page does not include certain classifications (common examples include Ironworker and Bricklayers), which requires reference to the Building construction page for that specific trade regardless of the actual nature of the project.

Regardless of the wage schedule(s) that are considered in force for a specific project, contractors must pay the higher applicable Federal or State prevailing wage rate for the applicable classification to each employee. To assist in determining if the appropriate classification has been reported for the type of work being performed, grantees are encouraged to become familiar with the publication, "Occupational Titles of Work Descriptions" (8 CSR 30-3.060) issued by the state Division of Labor Standards.

### ***May a city or county use their own employees to perform the construction work?***

Laborers and mechanics employed directly by the grantee are known as "Force Account" employees and are not subject to prevailing wage requirements. Government-program workers and other temporary, but *bona fide* employees of the grantee, who might perform work in covered trades on a public works project, are also not subject to prevailing wage requirements.

### ***How do we verify that Federal prevailing wage requirements apply to owner/operators?***

All laborers and mechanics involved in construction, including unincorporated owner/operators and sole proprietors, must receive no less than the Federal prevailing wage for hours worked on the project. This is based on an interpretation from HUD and the USDOL that all persons working in construction trades are considered to be employees, and therefore subject to the provisions of Davis-Bacon and Related Acts (DBRA).

Information on special coverage requirements for truck drivers is also provided in this chapter.

#### **INTERPRETATION FROM HUD:**

Unincorporated owner-operators without employees are prohibited from certifying their own receipt of prevailing wages through the terms of their contract. In this instance, Labor Relations Letter LR-96-01 requires the basic information for so-called "working subcontractors" (name, 4-digit ID number, classification, daily/weekly hours worked, and total wages earned under the project during the time period) to be included on the prime contractor's payroll. In cases where unincorporated owner-operators are procured directly by the grantee or subgrantee on a public works project, weekly payrolls must still be submitted with a representative of the public body signing the certification page.

The Missouri Division of Labor Standards states that "shareholders of a corporate contractor" must be listed on the payrolls and paid prevailing wage rates by the contractor if the shareholder is performing public works construction. According to a Missouri Southern District Court of Appeals decision, anyone performing construction work on a public works project (not only employees) is covered by the Missouri Prevailing Wage Law; "workmen" on a public works project, regardless of employee or independent contractor status must therefore receive the State prevailing wage.

***The owner of the business (contractor) is on site and working directly with the crew under a covered trade. How should this be reported?***

The following represents information taken directly from HUD Labor Relations Letter LR-96-01 as issued on December 2, 1996:

*"Owners of businesses working with their crew...may certify to the payment of their own prevailing wages in conjunction with the prevailing wages paid to their employees. This...does not suggest that such owners are not likewise entitled to prevailing wages for their labor. Rather, it accepts the wage payment certification on weekly payroll reports by the owner for his/her own wages as that certification accompanies the certification offered for the payment of prevailing wages to his/her employees. Such owners need only list their name, work classification including "owner", and the daily and total hours worked."*

In summary, owners working with their crews on a CDBG-funded project do not need to include their rate of pay, gross amount earned, or deductions on the weekly certified payroll document.

***Is the State rule regarding the classification of Pipefitters enforced on CDBG projects?***

Grantees should refer to information issued by the Missouri Division of Labor Standards, including an article initially published in the October 2002 edition of the DED Community Development newsletter. The provisions of the State definition regarding use of the Pipefitter classification on public works projects continues to be monitored for compliance by CDBG staff.

***The Federal and State wage determinations each require Heavy Equipment Operators to be paid \$28.37 per hour. However, the Federal decision shows a higher basic rate (\$20.92) and lower fringe rate (\$7.45) than the State Wage Order (\$20.57 basic plus \$7.80 in fringes). The State AWO also requires payment of overtime wages for all hours worked in excess of eight per day, although the field schedule calls for working four 10-hour days each week. Will this make a difference in figuring the total compensation due?***

Yes it could, based on the following example: The State requires overtime based on the Operators working daily hours in excess of the maximum allowed in that specific Annual Wage Order for their classification, but the Federal rule (Contract Work Hours and Safety Standards Act) only mandates overtime pay if more than 40 hours were worked during the weekly reporting period. Given that situation, only the State determination would be used to figure the required compensation of time and one-half of the basic rate plus fringe benefits at the straight time rate. Overtime pay would be \$30.86 (\$20.57 x 1.5) plus \$7.80, for a total of \$38.66 per hour.

However, if the Operators worked in excess of 40 hours in a workweek the CWHSSA rules also apply. Overtime must be figured at time and one-half of the higher basic pay rate plus the corresponding straight time fringe benefit rate. In this event, the Federal decision becomes applicable and overtime pay would be \$31.38 (\$20.92 x 1.5) plus \$7.45, for a total of \$38.83 per hour.

NOTE: The same principle will determine overtime pay when the State determination reflects the higher basic rate for an occupational classification. Given the potential complexity of this situation, grantees are encouraged to contact your designated Compliance Specialist or the LSCO with specific questions.

### ***Do prevailing wage requirements also apply to Economic Development projects?***

All labor standards requirements under the CDBG program are applicable to projects funded under the Economic Development categories, including Industrial Infrastructure grants, Speculative Building loans, and Microenterprise loans, except where prior notification has been given.

**COMPLIANCE TIP:** **Federal prevailing wage rates and provisions may be enforced on an Action Fund loan project if the purchase and installation of equipment is involved, especially in cases where the building must be altered to accommodate the equipment. Check with DED for applicability based on specific circumstances of the project.**

### ***Are contractors allowed to use Apprentices on CDBG projects? If so, how is this verified?***

Contractors on Federally-funded construction projects have the opportunity to utilize apprentices if each person is employed and individually registered in a *bona fide* apprenticeship program registered with the U.S. Department of Labor, Office of Apprenticeship. The state Division of Labor Standards also recognizes this Federal entity as the official State apprenticeship agency. Only apprentices who have exceeded their first 90 days of probationary employment and are individually registered with the USDOL (emphasis added) may be paid less than full prevailing wage for the classification worked, usually reflected as a percentage of the basic hourly rate required and/or fringe benefits specified in the approved plan and in accordance with their level of progression. Contractors are limited in the number of apprentices used in a particular trade during a project, based on an industry formula that determines the allowable ratio of apprentices to journeymen.

To verify Apprenticeship status for an employee on a CDBG project, the contractor must provide a copy of the official USDOL certification form. In certain situations, a Program Registration and Apprenticeship Agreement document from the Office of Apprenticeship Training, Employer and Labor Services (OATELS) can be accepted if it includes contact information and the signature of the apprentice, the sponsoring program, and the registration agency along with the wage scale to be paid based on the trade, length of term, and experience level defined as time in the program or number of training hours completed. An example of each type of form is provided in this chapter.

### ***What are the responsibilities of a grantee when a Labor Standards violation occurs?***

Non-compliance with Federal and State labor standards requirements are usually discovered through the process of investigating worker complaints, monitoring payroll records, conducting employee interviews, or similar efforts. When labor standards violations are suspected, there are standard procedures to follow depending on the nature of the offense:

1. If the total amount of the underpayment of Federal prevailing wages is over \$1,000, or there is reason to believe that the violations are aggravated or willful, the grantee must furnish a report of investigation to DED. We will forward this information to the HUD area office, which will take appropriate actions and supply a report to the U.S. Department of Labor if necessary.
2. If the underpayment is \$1,000 or less, and there is no reason to believe that the violations are aggravated or willful, the grantee's responsibility is to make certain that full restitution has been paid. Verification of compliance must include a corrected certified payroll reflecting the amount of total restitution and allowable deductions, if any. Other types of documentation that can be requested from the contractor includes an Affidavit of Wage Restitution signed by the employee, and copies of the check(s) which indicate that the employee actually did receive and deposit or cash the amount of back wages due.

3. If the violation specifically involves the Federal overtime provisions of the Contract Work Hours and Safety Standards Act (CWHSSA), liquidated damages of \$10 for each day the employee was eligible but not paid overtime must also be assessed. Contact our office to discuss whether further recommendations should be made to the HUD area office or USDOL.
4. Violations of the provisions of the Missouri Prevailing Wage Law should be reported to the Division of Labor Standards following the procedures established by that agency. Contact MoDLS at 573/751-3403, or access their Web site at [www.labor.mo.gov/DLS/PrevailingWage/](http://www.labor.mo.gov/DLS/PrevailingWage/).

## **Labor Standards File Records**

A labor standards compliance file should be established for each construction contract in order to maintain records of the following:

2. Copies of all forms submitted (Request for Wage Determination, Request for Additional Classification and Rate using HUD form 4230A, Start of Construction Notice, etc.)
3. Project correspondence (including written records of telephone and personal contacts) for all Labor Standards-related activity.
4. Executed contract documents, including contractor and subcontractor certifications and final (enforceable) Federal and State prevailing wage determinations.
5. Weekly certified payrolls (obtain record of contractor's fringe benefit plan if applicable, etc.)
6. OSHA cards (front and back sides) for each employee listed on certified payrolls
7. Meeting minutes, record of attendees, etc. from the preconstruction conference.
8. Documentation of all employee interviews conducted.

## **DED Monitoring**

Your area Compliance Specialist will use the Labor Standards desk review form to verify compliance in this area

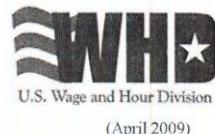
Establish procedures for documenting local compliance, including:

- A. Checking the project site for display of wage determinations and the applicable posters.
- B. Reviewing file records for weekly submission of contractor payrolls and OSHA cards.
- C. Verifying payment of correct wages through on-site worker interviews and other means.
- D. Checking to insure a certification has been issued by the U.S. Department of Labor, Office of Apprenticeship if apprentices are used.
- E. Reviewing Federal (CWHSSA) and State overtime requirements.
- F. Make certain that the prime contractor supplies all subcontractors with the correct Federal wage determination and State Annual Wage Order (if applicable). The failure of the prime contractor to meet this requirement can present significant difficulties in documenting subcontractor compliance.
- G. Investigate violations and take any required follow-up actions.
- H. Confirm that restitution is paid to each affected employee to correct all instances of contractor underpayment, and then report this activity to DED.
- I. Contact our office if any underpayment exceeds \$1,000, or if there is evidence that the violation is aggravated or willful.

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- J. Document compliance reviews and investigations, and maintain these records in the Labor Standards file for the project.

**U.S. Department of Labor**  
Wage and Hour Division



## Fact Sheet #66: The Davis-Bacon and Related Acts (DBRA)

This fact sheet provides general information concerning DBRA.

### Coverage

DBRA requires payment of prevailing wages on federally funded or assisted construction projects. The Davis-Bacon Act applies to each federal government or District of Columbia contract in excess of \$2,000 for the construction, alteration, or repair (including painting and decorating) of public buildings or public works. Many federal laws that authorize federal assistance for construction through grants, loans, loan guarantees, and insurance are Davis-Bacon "related Acts." The "related Acts" include provisions that require Davis-Bacon labor standards apply to most federally assisted construction. Examples of "related Acts" include the Federal-Aid Highway Acts, the Housing and Community Development Act of 1974, and the Federal Water Pollution Control Act.

### Basic Provisions/Requirements

Contractors and subcontractors must pay laborers and mechanics employed directly upon the site of the work at least the locally prevailing wages (including fringe benefits), listed in the Davis-Bacon wage determination in the contract, for the work performed. Davis-Bacon labor standards clauses must be included in covered contracts.

The Davis-Bacon "prevailing wage" is the combination of the basic hourly rate and any fringe benefits listed in a Davis-Bacon wage determination. The contractor's obligation to pay at least the prevailing wage listed in the contract wage determination can be met by paying each laborer and mechanic the applicable prevailing wage entirely as cash wages or by a combination of cash wages and employer-provided bona fide fringe benefits. Prevailing wages, including fringe benefits, must be paid on all hours worked on the site of the work.

Apprentices or trainees may be employed at less than the rates listed in the contract wage determination only when they are in an apprenticeship program registered with the Department of Labor or with a state apprenticeship agency recognized by the Department.

Contractors and subcontractors are required to pay covered workers weekly and submit weekly certified payroll records to the contracting agency. They are also required to post the applicable Davis-Bacon wage determination with the Davis-Bacon poster (WH-1321) on the job site in a prominent and accessible place where they can be easily seen by the workers.

### Davis-Bacon Wage Determinations

Davis-Bacon wage determinations are published on the Wage Determinations On Line (WDOL) website for contracting agencies to incorporate them into covered contracts. The "prevailing wages" are determined based on wages paid to various classes of laborers and mechanics employed on specific types of construction projects in an area. Guidance on determining the type of construction is provided in All Agency Memoranda Nos. 130 and 131.

### **Penalties/Sanctions and Appeals**

Contract payments may be withheld in sufficient amounts to satisfy liabilities for underpayment of wages and for liquidated damages for overtime violations under the Contract Work Hours and Safety Standards Act (CWHSSA). In addition, violations of the Davis-Bacon contract clauses may be grounds for contract termination, contractor liability for any resulting costs to the government and debarment from future contracts for a period up to three years.

Contractors and subcontractors may challenge determinations of violations and debarment before an Administrative Law Judge (ALJ). Interested parties may appeal ALJ decisions to the Department's Administrative Review Board. Final Board determinations on violations and debarment may be appealed to and are enforceable through the federal courts.

### **Typical Problems**

(1) Misclassification of laborers and mechanics. (2) Failure to pay full prevailing wage, including fringe benefits, for all hours worked (including overtime hours). (3) Inadequate recordkeeping, such as not counting all hours worked or not recording hours worked by an individual in two or more classifications during a day. (4) Failure of to maintain a copy of bona fide apprenticeship program and individual registration documents for apprentices. (5) Failure to submit certified payrolls weekly. (6) Failure to post the Davis-Bacon poster and applicable wage determination.

### **Relation to State, Local, and Other Federal Laws**

The Copeland "Anti-Kickback" Act prohibits contractors from in any way inducing an employee to give up any part of the compensation to which he or she is entitled under his or her contract of employment, and requires contractors to submit a weekly statement of the wages paid to each employee performing DBRA covered work.

Contractors on projects subject to DBRA labor standards may also be subject to additional prevailing wage and overtime pay requirements under State (and local) laws. Also, overtime work pay requirements under CWHSSA and the Fair Labor Standards Act may apply.

Under Reorganization Plan No. 14 of 1950, (5 U.S.C.A. Appendix), the federal contracting or assistance-administering agencies have day-to-day responsibility for administration and enforcement of the Davis-Bacon labor standards provisions and, in order to promote consistent and effective enforcement, the Department of Labor has regulatory and oversight authority, including the authority to investigate compliance.

### **Where to Obtain Additional Information**

**For additional information, visit our Wage and Hour Division Website: <http://www.wagehour.dol.gov> and/or call our toll-free information and helpline, available 8 a.m. to 5 p.m. in your time zone, 1-866-4USWAGE (1-866-487-9243).**

This publication is for general information and is not to be considered in the same light as official statements of position contained in the regulations.

**U.S. Department of Labor**  
Frances Perkins Building  
200 Constitution Avenue, NW  
Washington, DC 20210

**1-866-4-USWAGE**  
TTY: 1-866-487-9243  
[Contact Us](#)



## REQUEST FOR FEDERAL WAGE DETERMINATION

### MAIL OR FAX ONE COPY TO:

Missouri Department of Economic Development  
BCS Compliance Team  
PO Box 118  
Jefferson City, MO 65102-0118  
FAX: 573/526-4157

REQUEST IS HEREBY MADE FOR THE DETERMINATION OF THE WAGE RATES TO BE PAID, PURSUANT TO SECTIONS OF THE DAVIS-BACON ACT AND DBRA.

Grantee Name: \_\_\_\_\_

Project #: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_

ZIP Code: \_\_\_\_\_

Date of Request: \_\_\_\_\_

County: \_\_\_\_\_

Mayor/Presiding Commissioner: \_\_\_\_\_

Project Description:

*Check with the consulting engineer to determine the relative portion of the project activities under the Federal "80/20" definition, and respond to the following:*

Yes                          No

1. Does this project contain dual construction activities? \_\_\_\_\_

\_\_\_\_\_                          \_\_\_\_\_

2. If yes, is Building construction more than 20% of the total project, or \_\_\_\_\_

\_\_\_\_\_                          \_\_\_\_\_

3. If yes, is Heavy construction more than 20% of the total project? \_\_\_\_\_

\_\_\_\_\_                          \_\_\_\_\_

### Type of Federal Determination requested

Heavy & Highway Only     Building Only     Both H & H and Building

Name of person requesting wage rates: \_\_\_\_\_

Organization: \_\_\_\_\_

Phone (include area code): \_\_\_\_\_ E-Mail: \_\_\_\_\_

Street Address

City (post office)

State

ZIP Code

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

*This form must be completed and submitted to the CDBG Program no less than ten (10) days prior to the beginning of the bid advertising process (i.e., bid call date).*



## START OF CONSTRUCTION NOTIFICATION

1. Project Number \_\_\_\_\_ Recipient \_\_\_\_\_
2. City \_\_\_\_\_ County \_\_\_\_\_ State \_\_\_\_\_
3. Bid Call (advertising start date) \_\_\_\_\_
4. Bid Opening Date \_\_\_\_\_
5. Contract Award Date \_\_\_\_\_
6. Federal Wage Decision # \_\_\_\_\_ modification # \_\_\_\_\_ Date \_\_\_\_\_
7. State Annual Wage Order # \_\_\_\_\_ Section \_\_\_\_\_ Incremental Increase and Effective Date \_\_\_\_\_
8. Date of Start of Construction \_\_\_\_\_
9. Total Amount of Contract (All Funding Sources) \_\_\_\_\_
10. Registered Name, Business Address, and employer tax I.D. number of General Contractor \_\_\_\_\_
11. Registered Name, Business Address of Sub Contractor \_\_\_\_\_

---

Local Labor Standards Designee

Contractor Payroll Contact

---

Phone Number

Phone Number

---

E-mail address

E-mail address

Mail or FAX this notice within ten (10) days after award of contract to:

Missouri Department of Economic Development  
BCS Compliance Team  
PO Box 118  
Jefferson City, Missouri 65102  
FAX: 573/526-4157

## PRE-CONSTRUCTION REPORT FORMAT (SAMPLE)

Project Name: \_\_\_\_\_

Project # \_\_\_\_\_

Location: \_\_\_\_\_

Description of Work to be Performed: \_\_\_\_\_

Contractor: \_\_\_\_\_

Total Contract Amount: \$ \_\_\_\_\_

Meeting Date: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Location: \_\_\_\_\_

### **Items covered During Pre-Construction Conference**

- Sign-in of meeting participants (include names and titles)
- General Labor Standards concepts
- Grantee's role and responsibilities
- Contractor's role and responsibilities
- Section 3 of the Housing and Urban Development Act of 1968
- Equal Opportunity
- Submission of weekly payrolls, other reporting requirements, and sanctions for non-compliance
- Method and time frame for payment
- Use of subcontractors
- Submission of OSHA cards for each employee listed on certified payrolls
- Submission of Apprenticeship documentation (if applicable)
- Federal Prevailing Wage determination (Heavy/Highway, Building, Residential, or a combination when dual wage rates are required under the contract)
- Joint applicability of Federal/State prevailing wage requirements on CDBG-funded projects
- Contractor informed of the requirement to pay the higher of the State or Federal wage rate per classification on CDBG-funded projects. (*Note—in cases when the “80/20 rule” applies, the Federal Heavy & Highway determination may be in force along with the State Building schedule. In this circumstance, the higher wage rate must be paid.*)

**(THIS DOCUMENT SHOULD APPEAR ON COMPANY LETTERHEAD)**

**AFFIDAVIT OF WAGE RESTITUTION**

This is to acknowledge receipt of payment for restitution in the amount of \_\_\_\_\_ (gross amount less permissible deductions) for \_\_\_\_\_ hours at \_\_\_\_\_ per hour. This is for additional wages due on \_\_\_\_\_ (name and location of project). This was paid by check number \_\_\_\_\_.

GROSS AMOUNT: \$ \_\_\_\_\_

*Less deductions:*

Federal Income Tax \$ \_\_\_\_\_

F.I.C.A. \$ \_\_\_\_\_

Other (identify) \$ \_\_\_\_\_

SUBTOTAL: \$ \_\_\_\_\_

NET AMOUNT: \$ \_\_\_\_\_

---

(Signature of Employee)

## FRINGE BENEFITS

### CODE OF FEDERAL REGULATIONS TITLE 29, SECTION 5.20-5.31

The 1964 amendments to the Davis-Bacon Act require that the prevailing wage determined for Federal and Federally assisted construction include (among other things) the following:

1. The basic hourly rate of pay; and
2. The amount contributed by the contractor/subcontractor for certain fringe benefits (or the cost to the contractor/subcontractor for such benefits).

Therefore, if the wage determination lists fringe benefits, the contractor/subcontractor must pay to the employee in cash or fringe benefits an amount that equals the total of the basic hourly rate and fringe appearing on the wage determination. Any combination of cash payments and fringes is allowed, provided that the part you provide in benefits is:

- A. Explained to all employees in writing
- B. Administered through a third party or through an actuarially sound, enforceable, unfunded commitment. (The Secretary of Labor may require unfunded plans to be held in a separate, special account.)
- C. If the employee works overtime, the premium must be computed on the basic hourly rate shown on the wage determination, even if the employer pays less than this amount in cash because of increased fringes.

In other words, if you take a credit on the basic hourly rate because you pay more in fringes than required by the wage determination, **you must revert back to the rate in the wage determination when computing and paying for overtime work.**

A fringe benefit is considered an employment benefit (such as a pension, paid holidays, health insurance, etc.) granted by an employer that involves a monetary cost without affecting the basic wage rates.

The Statutory provisions of fringe benefits under the Davis-Bacon Act are contained in Part 5.23. The fringe benefits provisions of the 1964 amendments to the Davis-Bacon Act include the following:

3. The rate of contribution is irrevocably made by a contractor/subcontractor to a trustee or to a third person pursuant to a plan, fund, or program. The “third person” must be one who is not affiliated with the contractor or subcontractor.
  - A. The trustee must assume the usual fiduciary responsibilities imposed upon trustees by applicable law. The trust or fund must be set up in such a way that in no event will the contractor/subcontractor be able to recapture any of the contributions paid in or in any way divert the funds to his own use or benefit.
  - B. “Plan, fund, or program” is merely intended to recognize the various types of arrangements commonly used to provide fringe benefits through employer contributions. The contribution for fringe benefits must be made pursuant to a plan, fund, or program (Section 1(b)(2)(A) of the Act).
4. The rate of costs to the contractor/subcontractor, which may be reasonably anticipated in providing benefits to laborers and mechanics, pursuant to an enforceable commitment to carry out a financially responsible plan or program, which was communicated in writing to the laborers and mechanics affected.

The act lists all types of fringe benefits that Congress considered common in the construction industry as a whole. The following fringe benefits include where the contractor/subcontractor pays all or part of the amount for:

1. Medical or Hospital care
2. Pension on retirement or death
3. Compensation for injuries or illness resulting from occupational activity
4. Insurance to provide for any of the foregoing
5. Unemployment benefits
6. Life Insurance
7. Disability or Sickness Insurance
8. Accident Insurance
9. Vacation and Holiday pay
10. Defrayment of costs of Apprenticeship or other similar programs
11. Other *bona fide* fringe benefits

**Note:** “Other *bona fide* fringe benefits” is the so-called “open-end” provision, included so that new fringe benefits may be recognized as they become prevailing in the construction industry.

**The Act excludes fringe benefits that a contractor/subcontractor is required to provide under other Federal, State, or local law.** No credit may be taken under the Act for the payments made for such benefits (e.g., payments for Workmen’s Compensation Insurance under either a compulsory or elective State statute are not considered payments for fringe benefits under the Act). **Also, payments made for travel, subsistence, or to industry promotion funds are not normally payments for fringe benefits under the Act.**

Only the amount of contributions or costs for fringe benefits, which meet the requirements of the Act, will be considered.

The rate of contribution or cost is ordinarily an hourly rate and will be reflected this way in the wage determination. When fringe benefits are prevailing for various classes of laborers and mechanics in the area of proposed construction, such benefits are includable in any Davis-Bacon Wage Determination. Wage determinations will not contain such benefits when such benefits are not prevailing in the area of construction.

A contractor/subcontractor performing work subject to Davis-Bacon may discharge his minimum wage obligations for the payment of both straight time wages and fringe benefits by paying in cash, making payments, or incurring costs for “*bona fide*” fringe benefits of the types listed in the applicable wage determination or otherwise found to be prevailing by the Secretary of Labor, or by a combination thereof.

Sometimes the contribution or cost for certain fringe benefits may be expressed in a formula or method of payment other than an hourly rate. In such cases the Secretary, at his discretion, may express in the wage determination that rate of contribution or cost used in the formula or method, or may convert it to an hourly rate of pay whenever it is found that such action would facilitate the administration of the Act.

**Unfunded Plans** (Part 5.28): There are no types of fringe benefits eligible for consideration as a so-called “unfunded plan” unless:

1. It could be reasonably anticipated to provide benefits described in the Act;

2. It represents a commitment that can be legally enforced;
3. It is carried out under a financially responsible plan or program; and
4. The plan or program providing the benefits has been communicated in writing to the laborers and mechanics affected.

The cost to a contractor/subcontractor, which may be reasonably anticipated in providing benefits of the types described in the Act, pursuant to an enforceable commitment to carry out a financially responsible plan or program, are considered fringe benefits within the meaning of the Act (Section 1(b)(2)(B) of the Act).

Legislative history suggests that these provisions were intended to permit the consideration of fringe benefits meeting these requirements, among others, and which are provided from general assets of a contractor/subcontractor.

It is in this manner that the Act provides for the consideration of “unfunded plans or programs” in finding prevailing wages and in ascertaining compliance with the Act.

There is a protection, however, against the use of this provision as a means of avoiding the Act’s requirements. The words “reasonably anticipated” are intended to require that any unfunded plan or program be able to withstand a test that can be described as one of actuarial soundness. As in the case of other fringe benefits payable under the Act, an unfunded plan must be “*bona fide*” and not a mere simulation or sham for avoiding compliance with the Act.



## CERTIFICATION FOR APPLICABLE FRINGE BENEFIT PAYMENTS

PROJECT NAME: \_\_\_\_\_

PROJECT NUMBER: \_\_\_\_\_

Classification/Fringe Benefits Provided	Name, Address and Telephone Number of Plan/Fund/Program
Health and Welfare	_____
Pension	_____
Vacation	_____
Apprenticeship/Training	_____

OR: (Check if applicable.)

I certify that I do not make payments to approved fringe benefit plans, funds or programs.

\_\_\_\_\_  
Contractor/Subcontractor

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date  
MO 419-2879 (05-07)

\_\_\_\_\_  
Title

## FY2013 CDBG Administrative Manual

## Labor Standards

**PAYROLL****U.S. Department of Labor**

Employment Standards

Administration, Wage and Hour

Division

(For Contractor's Optional Use; See Instructions at [www.dol.gov/esa/whd/forms/wh347instr.htm](http://www.dol.gov/esa/whd/forms/wh347instr.htm))

U.S. Wage and Hour Division

Rev. Dec. 2008

NAME OF CONTRACTOR <input type="checkbox"/>	OR SUBCONTRACTOR <input type="checkbox"/>	IRS #_____	ADDRESS			OMS No.: 1215-0149 Expires: 12/31/2011						
PAYROLL NO.			FOR WEEK ENDING			PROJECT AND LOCATION			PROJECT OR CONTRACT NO.			
(1) NAME AND INDIVIDUAL IDENTIFYING NUMBER (e.g., LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER) OF WORKER	(2) NO. OF WITHHOLDING EXEMPTIONS	(3) WORK CLASSIFICATION	(4) DAY AND DATE			(5)	(6)	(7)	(8) DEDUCTIONS			(9) NET WAGES PAID FOR WEEK
			HOURS WORKED EACH DAY						TOTAL HOURS	RATE OF PAY	GROSS AMOUNT EARNED	
			O									
			S									
			O									
			S									
			O									
			S									
			O									
			S									
			O									
			S									
			O									
			S									

While completion of Form WH-347 is optional, it is mandatory for covered contractors and subcontractors performing work on Federally financed or assisted construction contracts to respond to the information collection contained in 29 C.F.R. §§ 3.3, 5.5(a). The Copeland Act (40 U.S.C. § 3145) contractors and subcontractors performing work on Federally financed or assisted construction contracts to "furnish weekly a statement with respect to the wages paid each employee during the preceding week." U.S. Department of Labor (DOL) regulations at 29 C.F.R. § 5.5(a)(3)(ii) require contractors to submit weekly a copy of all payrolls to the Federal agency contracting for or financing the construction project, accompanied by a signed "Statement of Compliance" indicating that the payrolls are correct and complete and that each laborer or mechanic has been paid not less than the proper Davis-Bacon prevailing wage rate for the work performed. DOL and federal contracting agencies receiving this information review the information to determine that employees have received legally required wages and fringe benefits.

We estimate that it will take an average of 55 minutes to complete this collection, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. If you have any comments regarding these estimates or any other aspect of this collection, including suggestions for reducing this burden, send them to the Administrator, Wage and Hour Division, ESA, U.S. Department of Labor, Room 53502, 200 Constitution Avenue, N.W. Washington, D.C. 20210

# FY2013 CDBG Administrative Manual

## Labor Standards

Date \_\_\_\_\_

I, \_\_\_\_\_  
(Name of Signatory Party) \_\_\_\_\_ (Title)

do hereby state:

(1) That I pay or supervise the payment of the persons employed by

(Building or Work) ; that during the payroll period commencing on the

\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, and ending the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.  
all persons employed on said project have been paid the full weekly wages earned, that no rebates have  
been or will be made either directly or indirectly to or on behalf of said

**(Contractor or Subcontractor)** \_\_\_\_\_ from the full

weekly wages earned by any person and that no deductions have been made either directly or indirectly from the full wages earned by any person, other than permissible deductions as defined in Regulations, Part 3 (29 CFR Subtitle A), issued by the Secretary of Labor under the Copeland Act, as amended (48 Stat. 948, 63 Start. 108, 72 Stat. 967; 76 Stat. 357; 40 U.S.C. 276c), and described below:

(2) That any payrolls otherwise under this contract required to be submitted for the above period are correct and complete; that the wage rates for laborers or mechanics contained therein are not less than the applicable wage rates contained in any wage determination incorporated into the contract; that the classifications set forth therein for each laborer or mechanic conform with the work he performed.

(3) That any apprentices employed in the above period are duly registered in a bona fide apprenticeship program registered with a State apprenticeship agency recognized by the Bureau of Apprenticeship and Training, United States Department of Labor, or if no such recognized agency exists in a State, are registered with the Bureau of Apprenticeship and Training, United States Department of Labor.

(4) That:

(a) WHERE FRINGE BENEFITS ARE PAID TO APPROVED PLANS, FUNDS, OR PROGRAMS

– in addition to the basic hourly wage rates paid to each laborer or mechanic listed in the above referenced payroll, payments of fringe benefits as listed in the contract have been or will be made to appropriate programs for the benefit of such employees, except as noted in Section 4(c) below.

(b) WHERE FRINGE BENEFITS ARE PAID IN CASH

- Each laborer or mechanic listed in the above referenced payroll has been paid, as indicated on the payroll, an amount not less than the sum of the applicable basic hourly wage rate plus the amount of the required fringe benefits as listed in the contract, except as noted in Section 4(c) below.

### (c) EXCEPTIONS

EXCEPTION (CRAFT)	EXPLANATION

**REMARKS:**

REMARKS:	
<p>NAME AND TITLE</p> <p>SIGNATURE</p>	
<p>THE WILLFUL FALSIFICATION OF ANY OF THE ABOVE STATEMENTS MAY SUBJECT THE CONTRACTOR OR SUBCONTRACTOR TO CIVIL OR CRIMINAL PROSECUTION. SEE SECTION 1001 OF TITLE 18 AND SECTION 231 OF TITLE 46, U.S.C.</p>	

## **WAGE AND HOUR DIVISION (WHD)**

### **INSTRUCTIONS FOR COMPLETING PAYROLL FORM, WH-347**

- [WH-347](#) (PDF)

OMB Control No. 1215-0149, Expires 12/31/2011.

Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number.

**General:** Form WH-347 has been made available for the convenience of contractors and subcontractors required by their Federal or Federally-aided construction-type contracts and subcontracts to submit weekly payrolls. Properly filled out, this form will satisfy the requirements of Regulations, Parts 3 and 5 (29 C.F.R., Subtitle A), as to payrolls submitted in connection with contracts subject to the Davis-Bacon and related Acts.

While completion of Form WH-347 is optional, it is mandatory for covered contractors and subcontractors performing work on Federally financed or assisted construction contracts to respond to the information collection contained in 29 C.F.R. §§ 3.3, 5.5(a). The Copeland Act (40 U.S.C. § 3145) requires contractors and subcontractors performing work on Federally financed or assisted construction contracts to "furnish weekly a statement with respect to the wages paid each employee during the preceding week." U.S. Department of Labor (DOL) Regulations at 29 C.F.R. § 5.5(a)(3)(ii) require contractors to submit weekly a copy of all payrolls to the Federal agency contracting for or financing the construction project, accompanied by a signed "Statement of Compliance" indicating that the payrolls are correct and complete and that each laborer or mechanic has been paid not less than the proper Davis-Bacon prevailing wage rate for the work performed. DOL and federal contracting agencies receiving this information review the information to determine that employees have received legally required wages and fringe benefits.

Under the Davis-Bacon and related Acts, the contractor is required to pay not less than prevailing wage, including fringe benefits, as predetermined by the Department of Labor. The contractor's obligation to pay fringe benefits may be met either by payment of the fringe benefits to bona fide benefit plans, funds or programs or by making payments to the covered workers (laborers and mechanics) as cash in lieu of fringe benefits.

This payroll provides for the contractor to show on the face of the payroll all monies to each worker, whether as basic rates or as cash in lieu of fringe benefits, and provides for the contractor's representation in the statement of compliance on the payroll (as shown on page 2) that he/she is paying for fringe benefits required by the contract and not paid as cash in lieu of fringe benefits. Detailed instructions concerning the preparation of the payroll follow:

**Contractor or Subcontractor:** Fill in your firm's name and check appropriate box.

**Address:** Fill in your firm's address.

**Payroll No.:** Beginning with the number "1", list the payroll number for the submission.

**For Week Ending:** List the workweek ending date.

**Project and Location:** Self-explanatory

**Project or Contract No.:** Self-explanatory

**Column 1 - Name and Individual Identifying Number of Worker:** Enter each worker's full name and an individual identifying number (e.g., last four digits of worker's social security number) on each weekly payroll submitted.

**Column 2 - No. of Withholding Exemptions:** This column is merely inserted for the employer's convenience and is not a requirement of Regulations, Part 3 and 5.

**Column 3 - Work Classifications:** List classification descriptive of work actually performed by each laborer or mechanic. Consult classification and minimum wage schedule set forth in contract specifications. If additional classifications are deemed necessary, see Contracting Officer or Agency representative. An individual may be shown as having worked in more than one classification provided an accurate breakdown or hours worked in each classification is maintained and shown on the submitted payroll by use of separate entries.

**Column 4 - Hours worked:** List the day and date and straight time and overtime hours worked in the applicable boxes. On all contracts subject to the Contract Work Hours Standard Act, enter hours worked in excess of 40 hours a week as "overtime".

**Column 5 - Total:** Self-explanatory

**Column 6 - Rate of Pay (Including Fringe Benefits):** In the "straight time" box for each worker, list the actual hourly rate paid for straight time worked, plus cash paid in lieu of fringe benefits paid. When recording the straight time hourly rate, any cash paid in lieu of fringe benefits may be shown separately from the basic rate. For example, "\$12.25/.40" would reflect a \$12.25 base hourly rate plus \$0.40 for fringe benefits. This is of assistance in correctly computing overtime. See "Fringe Benefits" below. When overtime is worked, show the overtime hourly rate paid plus any cash in lieu of fringe benefits paid in the "overtime" box for each worker; otherwise, you may skip this box. See "Fringe Benefits" below. Payment of not less than time and one-half the basic or regular rate paid is required for overtime under the Contract Work Hours Standard Act of 1962 if the prime contract exceeds \$100,000. In addition to paying no less than the predetermined rate for the classification which an individual works, the contractor must pay amounts predetermined as fringe benefits in the wage decision made part of the contract to approved fringe benefit plans, funds or programs or shall pay as cash in lieu of fringe benefits. See "FRINGE BENEFITS" below.

**Column 7 - Gross Amount Earned:** Enter gross amount earned on this project. If part of a worker's weekly wage was earned on projects other than the project described on this payroll, enter in column 7 first the amount earned on the Federal or Federally assisted project and then the gross amount earned during the week on all projects, thus "\$163.00/\$420.00" would reflect the earnings of a worker who earned \$163.00 on a Federally assisted construction project during a week in which \$420.00 was earned on all work.

**Column 8 - Deductions:** Five columns are provided for showing deductions made. If more than five deductions are involved, use the first four columns and show the balance deductions under "Other" column; show actual total under "Total Deductions" column; and in the attachment to the payroll describe the deduction(s) contained in the "Other" column. All deductions must be in accordance with the provisions of the Copeland Act Regulations, 29 C.F.R., Part 3. If an individual worked on other jobs in addition to this project, show actual deductions from his/her weekly gross wage, and indicate that deductions are based on his gross wages.

**Column 9 - Net Wages Paid for Week:** Self-explanatory.

**Totals** - Space has been left at the bottom of the columns so that totals may be shown if the contractor so desires.

**Statement Required by Regulations, Parts 3 and 5:** While the "statement of compliance" need not be notarized, the statement (on page 2 of the payroll form) is subject to the penalties provided by 18 U.S.C. § 1001, namely, a fine, possible imprisonment of not more than 5 years, or both. Accordingly, the party signing this statement should have knowledge of the facts represented as true.

**Items 1and 2:** Space has been provided between items (1) and (2) of the statement for describing any deductions made. If all deductions made are adequately described in the "Deductions" column above, state "See Deductions column in this payroll." See "FRINGE BENEFITS" below for instructions concerning filling out paragraph 4 of the statement.

**Item 4 FRINGE BENEFITS - Contractors who pay all required fringe benefits:** If paying all fringe benefits to approved plans, funds, or programs in amounts not less than were determined in the applicable wage decision of the Secretary of Labor, show the basic cash hourly rate and overtime rate paid to each worker on the face of the payroll and check paragraph 4(a) of the statement on page 2 of the WH-347 payroll form to indicate the payment. Note any exceptions in section 4(c).

**Contractors who pay no fringe benefits:** If not paying all fringe benefits to approved plans, funds, or programs in amounts of at least those that were determined in the applicable wage decision of the Secretary of Labor, pay any remaining fringe benefit amount to each laborer and mechanic and insert in the "straight time" of the "Rate of Pay" column of the payroll an amount not less than the predetermined rate for each classification plus the amount of fringe benefits determined for each classification in the application wage decision. Inasmuch as it is not necessary to pay time and a half on cash paid in lieu of fringe benefits, the overtime rate shall be not less than the sum of the basic predetermined rate, plus the half time premium on basic or regular rate, plus the required cash in lieu of fringe benefits at the straight time rate. In addition, check paragraph 4(b) of the statement on page 2 the payroll form to indicate the payment of fringe benefits in cash directly to the workers. Note any exceptions in section 4(c).

**Use of Section 4(c), Exceptions**

Any contractor who is making payment to approved plans, funds, or programs in amounts less than the wage determination requires is obliged to pay the deficiency directly to the covered worker as cash in lieu of fringe benefits. Enter any exceptions to section 4(a) or 4(b) in section 4(c). Enter in the Exception column the craft, and enter in the Explanation column the hourly amount paid each worker as cash in lieu of fringe benefits and the hourly amount paid to plans, funds, or programs as fringe benefits. The contractor must pay an amount not less than the predetermined rate plus cash in lieu of fringe benefits as shown in section 4(c) to each such individual for all hours worked (unless otherwise provided by applicable wage determination) on the Federal or Federally assisted project. Enter the rate paid and amount of cash paid in lieu of fringe benefits per hour in column 6 on the payroll. See the paragraph on "Contractors who pay no fringe benefits" for computation of overtime rate.

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**Public Burden Statement:** We estimate that it will take an average of 55 minutes to complete this collection of information, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. If you have any comments regarding these estimates or any other aspect of this collection of information, including suggestions for reducing this burden, send them to the Administrator, Wage and Hour Division, ESA, U.S. Department of Labor, Room S3502, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

**Note:** In order to view, fill out, and print PDF forms, you need Adobe® Acrobat® Reader® version 5 or later, which you may download for free at [www.adobe.com/products/acrobat/readstep2.html](http://www.adobe.com/products/acrobat/readstep2.html). To save the completed forms on your workstation, you need to use the "Save As" method to save the file. For example, move your mouse cursor over the PDF link and click on your "RIGHT" mouse button. This will cause a menu to be displayed, from which you will select the proper save option -- depending upon which browser you are using:

- For Microsoft IE users, select "Save Target As"
- For Netscape Navigator users, select "Save Link As"

Once you've selected the proper save option for your browser, and have saved the file to a location you specified, go to your program menu and start the Adobe Acrobat® Reader. Once open, locate the PDF file you saved and open it directly in Acrobat®.

## HOW TO COMPLETE PAYROLL FORMS (FRONT SECTION)

Enter IRS number on first payroll		<b>PAYROLL</b>																		
(For Contractor's Optional Use; See instruction, Form WH-347 Inst.)																				
NAME OF CONTRACTOR <input type="checkbox"/> OR SUBCONTRACTOR <input type="checkbox"/>				IRS NUMBER			ADDRESS													
Alhollon Electric				24168415			1107 Orange Place, Columbia, Maryland													
PAYROLL NO.			FOR WEEK ENDING				PROJECT AND LOCATION				PROJECT OR CONTRACT NO.									
1			April 11, 1992				Kings Village				47966120									
Payrolls must be numbered sequentially. Write the word "Final" after the number on your last payroll.				Enter days & week work was performed.				Overtime: 1. Hours on this project contract meeting the overtime definition 2. Total overtime				Specify: 1. Types of deductions 2. Total deductions withheld								
(1) Name, and Individual Identifying number (e.g. Last Four Digits of Social Security Number)	(2) No. of withholding exemptions	(3) Work Classification	(4) Day and Date							(5) TOTAL HOURS	(6) RATE OF PAY	(7) GROSS AMOUNT EARNED	(8) DEDUCTIONS				(9) NET WAGES PAID FOR WEEK			
			OT Or ST										W	T	F	S		S	M	T
			13 14 15 16 17 18 19										HOURS WORKED EACH DAY							
Lee Baskey xxxx			Cement Mason	O	2	2	2		2	2	10	15.00	550.00	FICA	WITH-HOLDING TAX		OTHER	TOTAL	464.33	
Address and Social Security number are NO LONGER required.			Fill in the classification exactly as it appears on the determination. If classification is for a power equipment operator, indicate type, size, and horsepower.							Straight time: 1. Daily hours worked on this contract up to 40 per week. 2. Total straight time.				Upper Left reflects amount on this project. Lower Right reflects amount earned on all projects during work-week.				Enter gross, all deductions, and net. Check your figures; subtract the total amount withheld from the total gross. The answer should equal the total in Column 4.		

## INSTRUCTIONS FOR PREPARATION OF STATEMENT OF COMPLIANCE

This statement of compliance meets needs resulting from the amendment of the Davis-Bacon Act to include fringe benefits provisions. Under this amended law, the contractor is required to pay fringe benefits as predetermined by the Department of Labor, in addition to payment of the minimum rates. The contractor's obligation to pay fringe benefits may be met by payment of the fringes to the various plans, funds, or programs or by making these payments to the employees as cash in *lieu* of fringes.

The contractor should **show on the first page of his payroll all monies paid to the employees** whether as basic rates or as cash in *lieu* of fringes. The contractor shall represent in the statement of compliance that **he is paying to others** fringes required by the contract and not paying as cash in *lieu* of fringes. Detailed instructions follow:

### **Contractors who pay all required fringe benefits**

A contractor who pays fringe benefits to approved plans, funds, or programs, in amounts not less than were determined in the applicable wage decision of the Secretary of Labor, shall continue to show on the face of his payroll the basic cash hourly rate and overtime rate paid to his employees. The contractor shall check paragraph 4(a) of the statement to indicate that he is also paying to approved plans, funds, or programs not less than the amount predetermined as fringe benefits for each craft. Any exception shall be noted in Section 4(c).

### **Contractors who pay no fringe benefit**

Contractors who pay no fringe benefits shall pay to the employee, and insert in the straight time hourly rate column of his payroll, an amount not less than the predetermined rate for each classification plus the amount of fringe benefits determined for each classification in the applicable wage decision. Since it is not necessary to pay time and a half on cash paid in *lieu* of fringes, the overtime rate shall be not less than the sum of the basic predetermined rate, plus the half time premium on the basic or regular rate, plus the required cash in *lieu* of fringes at the straight time rate. To simplify computation of overtime, it is suggested that the straight time basic rate and cash in *lieu* of fringes be separately stated in the hourly rate column (example \$3.25/.40). In addition, the contractor shall check paragraph 4(b) of the statement to indicate that he is paying fringe benefits in cash directly to his employees. Any exceptions shall be noted in Section 4(c).

### **Use of Section 4(c), Exceptions**

Any contractor who is making payment to approved plans, funds, or programs in amounts less than the wage determination requires is obliged to pay the deficiency directly to the employees as cash in *lieu* of fringes. Any exceptions to Section 4(a) or 4(b), whichever the contractor may check, shall be entered in Section 4(c). Enter in the Exception column the craft, and enter in the Explanation column the hourly amount paid the employees as cash in *lieu* of fringes and the hourly amount paid to plans, funds, or programs as fringes.

## Record of Employee Interview

**U.S. Department of Housing  
and Urban Development  
Office of Labor Relations**

OMB Approval No. 2501-0009  
(exp. 08/31/2007)

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. The information is collected to ensure compliance with the Federal labor standards by recording interviews with construction workers. The information collected will assist HUD in the conduct of compliance monitoring; the information will be used to test the veracity of certified payroll reports submitted by the employer. **Sensitive Information:** The information collected on this form is considered sensitive and is protected by the Privacy Act. The Privacy Act requires that these records be maintained with appropriate administrative, technical, and physical safeguards to ensure their security and confidentiality. In addition, these records should be protected against any anticipated threats or hazards to their security or integrity that could result in substantial harm, embarrassment, inconvenience, or unfairness to any individual on whom the information is maintained. **The information collected herein is voluntary, and any information provided shall be kept confidential.**

1a. Project Name			2a. Employee Name		
1b. Project Number			2b. Employee Phone Number (including area code)		
1c. Contractor or Subcontractor (Employer)			2c. Employee Home Address & Zip Code		
			2d. Verification of identification? Yes <input type="checkbox"/> No <input type="checkbox"/>		
3a. How long on this job?	3b. Last date on this job before today?	3c. No. of hours last day on this job?	4a. Hourly rate of pay?	4b. Fringe Benefits? Vacation Yes <input type="checkbox"/> No <input type="checkbox"/> Medical Yes <input type="checkbox"/> No <input type="checkbox"/> Pension Yes <input type="checkbox"/> No <input type="checkbox"/>	4c. Pay stub? Yes <input type="checkbox"/> No <input type="checkbox"/>

5. Your job classification(s) (list all) --- continue on a separate sheet if necessary

6. Your duties

7. Tools or equipment used

8. Are you an apprentice or trainee?	<input type="checkbox"/>	<input type="checkbox"/>	9. Are you paid for all hours worked?	<input type="checkbox"/>	<input type="checkbox"/>	10. Are you paid at least time and $\frac{1}{2}$ for all hours worked in excess of 40 in a week?	<input type="checkbox"/>	<input type="checkbox"/>	11. Have you ever been threatened or coerced into giving up any part of your pay?	<input type="checkbox"/>	<input type="checkbox"/>
12a. Employee Signature			12b. Date								

13. Duties observed by the Interviewer (Please be specific.)

14. Remarks

15a. Interviewer name (please print)	15b. Signature of Interviewer	15c. Date of interview
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### Payroll Examination

16. Remarks

17a. Signature of Payroll Examiner	17b. Date
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Labor Standards

Instructions

General:

This form is to be used by HUD and local agency staff for recording information gathered during on-site interviews with laborers and mechanics employed on projects subject to Federal prevailing wage requirements. Typically, the staff that will conduct on-site interviews and use this form are HUD staff and fee construction inspectors, HUD Labor Relations staff, and local agency labor standards contract monitors.

Information recorded on the form HUD-11 is evaluated for general compliance and compared to certified payroll reports submitted by the respective employer. The comparison tests the veracity of the payroll reports and may be critical to the successful conclusion of enforcement actions in the event of labor standards violations. The thoroughness and accuracy of the information gathered during interviews is crucial.

Note that the interview itself and the information collected on the form HUD-11 are considered confidential. Interviews should be conducted individually and privately. All laborers and mechanics employed on the job site must be made available for interview at the interviewer's request. The employee's participation, however, is voluntary. Interviews shall be conducted in a manner and place that are conducive to the purposes of the interview and that cause the least inconvenience to the employer(s) and the employee(s).

Completing the form HUD-11

Items 1a - 1c: Self-explanatory

Items 2a – 2d: Enter the employee's full name, a telephone number where the employee can be reached, and the employee's home address. Many construction workers use a temporary address in the locality of the project and have a more permanent address elsewhere from which mail may be forwarded to them. Obtain a more permanent address, if available. Ask the employee for a form of identification (e.g., driver's license) to verify their name.

Items 3a – 4c: Enter the employee's responses. Ask the employee whether they have a pay stub with them; if so, determine whether the pay stub is consistent with the information provided by the employee.

Items 5 – 7: Be certain that the employee's responses are specific. For example, job classification (#5) must identify the trade involved (e.g., Carpenter, Electrician, Plumber) – responses such as "journeyman" or "mechanic" are not helpful for our purposes.

Items 8 – 12b: Self-explanatory

Items 13 – 15c: These items represent some of the most important information that can be gathered while conducting on-site interviews. Please be specific about the duties you observed the employee performing. It may be easiest to make these observations before initiating the interview. Please record any comments or remarks that may be helpful. For example, if the employee interviewed was working with a crew, how many workers were in the crew? Was the employee evasive?

The level of specificity that is warranted is directly related to the extent to which interview(s) or other observations indicate that there may be violations present. If interviews indicate that there may be underpayments involving a particular trade(s), the interviewer is encouraged to interview as many workers in that trade(s) that are available.

Items 16 – 17b: The information on the form HUD-11 may be reviewed for general compliance, initially. For example, are the job classification and wage rate stated by the employee compatible with the classifications and wage rates on the applicable wage decision? Are the duties observed by the interviewer consistent with the job classification?

Once the corresponding certified payroll reports are received, the information on the HUD-11 shall be compared to the payroll reports. Any discrepancies noted between the HUD-11 information and that on the payroll report shall be noted in Item 16, Remarks. If discrepancies are noted, follow-up actions to resolve the discrepancies must be taken.

## 1 Historial de Entrevista del Empleado

### Departamento de Vivienda y Desarrollo Urbano de EE.UU. Oficina de Relaciones Laborales

Aprobación de OMB No. 2501-0009  
(exp. 08/31/2007)

Se estima que la tarea de recolección de esta información pública es de aproximadamente 15 minutos por respuesta, incluso el tiempo para examinar instrucciones, buscar fuentes de datos existentes, recopilar y mantener datos necesarios, y completar y examinar la recopilación de la información. Esta agencia no puede recopilar esta información y no se requiere que usted llene este formulario, a menos que éste exhiba un número de control válido de la Oficina de Administración y Presupuesto (OMB), por sus siglas en inglés. La información que se recopila tiene la finalidad de garantizar la conformidad a las normas laborales Federales mediante entrevistas con obreros de construcción. La información recopilada asistirá a HUD a conducir el monitoreo de conformidad; la información se usará para examinar la veracidad de los informes de nómina certificados presentados por el patrón. **Información confidencial:** La información recopilada en este formulario es considerada confidencial y está protegida por la Ley de Privacidad. La Ley de Privacidad requiere que estos archivos se mantengan con salvaguardas administrativos, técnicos, y físicos apropiados para garantizar su seguridad y confidencialidad. Además, estos archivos deberán ser protegidos contra cualquier amenaza anticipada o riesgos a su seguridad o integridad, que podría causar daño sustancial, vergüenza, inconveniencias, o injusticias a cualquier individuo de quien se mantiene la información. La información recopilada aquí es voluntaria y cualquier información proporcionada será mantenida como confidencial.

1a. Nombre del proyecto	2a. Nombre del empleado			
1b. Número del proyecto	2b. Número de teléfono del empleado (incluso prefijo local)			
1c. Contratista o subcontratista (Patrón)	2c. Dirección residencial del empleado y código postal			
2d. ¿Verificación de identificación? Sí <input type="checkbox"/> No <input type="checkbox"/>				
3a. ¿Cuánto tiempo en este trabajo?	3b. ¿Último día en este trabajo antes de hoy?	3c. ¿No. de horas en su último día en este trabajo?		
		4a. ¿Salario por hora?	4b. ¿Beneficios complementarios?	4c. ¿Talonario de paga?
		Vacaciones Sí <input type="checkbox"/> No <input type="checkbox"/> Médicos Sí <input type="checkbox"/> No <input type="checkbox"/> Pensión Sí <input type="checkbox"/> No <input type="checkbox"/>		Sí <input type="checkbox"/> No <input type="checkbox"/>
5. Clasificación(es) de su trabajo(s) (enumere todas) --- continúe en una página separada si es necesario				
6. Sus deberes				
7. Herramientas o equipo usado				
8. ¿Es aprendiz?		S      N	10. ¿Le pagan al menos tiempo y medio por todas las horas trabajadas superior a 40 horas semanales?	
9. ¿Le pagan todas las horas trabajadas?		<input type="checkbox"/> <input type="checkbox"/>	11. ¿Alguna vez ha sido amenazado o coercionado a entregar parte de su paga?	
12a. Firma del empleado		12b. Fecha		
13. Deberes observados por el entrevistador (Por favor sea específico.)				
14. Comentarios				
15a. Nombre del entrevistador (use letra de imprenta)	15b. Firma del entrevistador		15c. Fecha de la entrevista	

## Examinación de Nómina

16. Comentarios

17a. Firma del examinador de nómina	17b. Fecha
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Instrucciones

Generalidades:

Este formulario será utilizado por personal de HUD y agencias locales a fin de anotar toda información recopilada durante las entrevistas en sitio con obreros y mecánicos empleados en proyectos sujetos a requisitos de pago de salario vigente federal. Por lo general, el personal que efectúe entrevistas en sitio y use este formulario será personal de HUD e inspectores de construcción con comisión, personal de la Oficina de Relaciones Laborales de HUD, e inspectores de contratos de la agencia de normas laborales local.

La información recopilada en este formulario HUD-11 es evaluada para su conformidad general y comparada con informes de nóminas certificados presentados por el empleador correspondiente. La comparación examina la veracidad de los informes de nómina y puede ser crítica para la exitosa conclusión de gestiones de cumplimiento en caso de existir violaciones a las normas laborales. La meticulosidad y exactitud de la información recopilada durante las entrevistas es trascendental.

Tenga en cuenta que tanto la entrevista misma y la información recopilada en el formulario HUD-11 se consideran ser de carácter confidencial. Las entrevistas se deberán efectuar en forma individual y en privado. Todos los trabajadores y mecánicos empleados en el sitio de trabajo deben ser puestos a disposición para las entrevistas a petición del entrevistador. Sin embargo, la participación del empleado es voluntaria. Las entrevistas serán conducidas en una manera y lugar que sean conducentes a los objetivos de la entrevista y ocasionen el menor inconveniente al patrón(nes) y empleado(s).

Instrucciones para llenar el formulario HUD-11

Líneas 1a - 1c: Auto aclaratorio

Líneas 2a – 2d: Anote el nombre completo del empleado, un número telefónico donde se le pueda contactar, y su dirección residencial. Muchos trabajadores de construcción usan una dirección temporal en la localidad del proyecto y tienen una dirección más permanente en algún otro lugar a donde se les puede enviar correspondencia. Si puede, obtenga una dirección más permanente. Pida al empleado algún tipo de identificación (por ej., licencia de conducir) para verificar su nombre.

Líneas 3a – 4c: Anote las respuestas del empleado. Pregunte a los empleados si tienen un talonario de paga con ellos; si no, determine si el talonario de paga concuerda con la información provista por el empleado.

Líneas 5 – 7: Asegúrese de que las respuestas del empleado sean específicas. Por ejemplo, la clasificación de trabajo (#5) debe identificar el tipo de oficio que desempeña (por ej., carpintero, electricista, plomero) – respuestas tales como "jornalero" o "mecánico" no ayudan para nuestros propósitos.

Líneas 8 – 12b: Auto explicatorio

Líneas 13 – 15c: Estos asuntos representan alguna de la información más importante que se puede recopilar durante una entrevista en sitio. Por favor sea específico en cuanto a los deberes que según su observación desempeñó el empleado. Quizás sea más fácil hacer estas observaciones antes de iniciar la entrevista. Por favor anote cualquier comentario que pueda ser de importancia. Por ejemplo, si el empleado entrevistado estaba trabajando con un equipo, ¿cuántos trabajadores tenía el equipo? ¿Se mostraba el empleado evasivo?

El nivel de precisión garantizado está directamente relacionado al grado que la(s) entrevista(s) u otras observaciones pueden indicar que existen posibles violaciones. Si las entrevistas indican que puede haber pago de salario insuficiente relacionado a algún particular oficio (s), se recomienda al entrevistador conducir entrevistas con tantos trabajadores en ese oficio(s) estén disponibles.

Líneas 16 – 17b: Inicialmente, la información en el formulario HUD-11 puede ser examinada para conformidad general. Por ejemplo, ¿está la clasificación de trabajo y el salario declarado por el empleado compatible con las clasificaciones y tasas de salario en la decisión de salario aplicable? ¿Concuerdan los deberes observados por el entrevistador con la clasificación de trabajo?

Una vez se reciben los informes de nómina certificados correspondientes, se hará una comparación de la información anotada en el formulario HUD-11 con los informes de nómina. Cualquier discrepancia entre la información del formulario HUD-11 y la del informe de nómina será anotada en la linea 16, Comentarios. Si se hacen observaciones de discrepancias se deberán tomar pasos de seguimiento para resolver las discrepancias.

<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT REPORT OF ADDITIONAL CLASSIFICATION AND RATE</b>		<b>HUD FORM 4230A</b> OMB Approval Number 2501-0011 (Exp. 09/30/2006)
1. FROM (name and address of requesting agency)	2. PROJECT NAME AND NUMBER	
	3. LOCATION OF PROJECT (City, County and State)	
4. BRIEF DESCRIPTION OF PROJECT	5. CHARACTER OF CONSTRUCTION <input type="checkbox"/> Building <input type="checkbox"/> Residential <input type="checkbox"/> Heavy <input type="checkbox"/> Other (specify) <input type="checkbox"/> Highway	
6. WAGE DECISION NO. (include modification number, if any)	7. WAGE DECISION EFFECTIVE DATE	
<input type="checkbox"/> COPY ATTACHED		
8. WORK CLASSIFICATION(S)	<b>HOURLY WAGE RATES</b> BASIC WAGE      FRINGE BENEFIT(S) (if any)	
9. PRIME CONTRACTOR (name, address)	10. SUBCONTRACTOR/EMPLOYER, IF APPLICABLE (name, address)	
<b>Check All That Apply:</b> <input type="checkbox"/> The work to be performed by the additional classification(s) is not performed by a classification in the applicable wage decision. <input type="checkbox"/> The proposed classification is utilized in the area by the construction industry. <input type="checkbox"/> The proposed wage rate(s), including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage decision. <input type="checkbox"/> The interested parties, including the employees or their authorized representatives, agree on the classification(s) and wage rate(s). <input type="checkbox"/> Supporting documentation attached, including applicable wage decision.		
<b>Check One:</b> <input type="checkbox"/> Approved, meets all criteria. DOL confirmation requested. <input type="checkbox"/> One or more classifications fail to meet all criteria as explained in agency referral. DOL decision requested.		
Agency Representative <small>(Typed name and signature)</small>		FOR HUD USE ONLY LR2000:  <b>Log in:</b> <b>Log out:</b>
_____ <small>Date</small> _____ <small>Phone Number</small>		

HUD-4230A (8-03) PREVIOUS EDITION IS OBSOLETE

<b>Report of Additional Classification and Wage Rate</b>	<b>U.S. Department of Housing and Urban Development Office of Labor Relations</b>	OMB Approval No. 2501-0011 (Exp. 09/30/2006)
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Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining data needed, and completing and reviewing the collection of information. The information is considered non-sensitive and does not require special protection. This information is required to obtain benefits. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

Employers engaged on HUD-assisted construction projects subject to Davis-Bacon wage requirements must pay no less than the wages determined to be prevailing by the Secretary of Labor to all laborers and mechanics engaged on the construction work. On occasion, the applicable Davis-Bacon wage decision does not contain all of the work classifications and wage rates needed to complete the construction work. This information collection facilitates the addition of needed work classifications and wage rates for the construction work involved. This form is used by HUD and local agencies administering HUD programs to report employer request(s) for additional classification and wage rates so that an appropriate wage rate can be approved by the Department of Labor for the construction work. This information collection is required by Department of Labor regulations at 29 CFR 5.5. While no assurances of confidentiality are pledged to respondents, HUD generally discloses these data only in response to a Freedom of Information request.

**Instructions**

**General:**

**Contractors/Employers:** Do not need to complete this form. Submit a written, signed request to the responsible contracting agency naming the work classifications and the wage rates, including any fringe benefits, that are proposed.

**Local Agency Staff:** Complete items 2 through 10. Submit one copy of this form to the responsible HUD Labor Relations Office with a copy of the applicable Davis-Bacon wage decision and the written request from the employer naming the work classifications and wage rates that are proposed. (The employer's request must be made in writing and must be signed.)

1. For HUD or State CDBG Office use. Enter the name and address of HUD Office (or State CDBG office) submitting the report and to which the DOL reply should be sent.
2. Enter the name and number of the project or contract involved.
3. Enter the location of the project involved: city, county and state.
4. Describe the construction involved, e.g., new construction or rehabilitation, number and type of buildings, number of stories, number of units (as applicable). For example, New construction: 3 – 4-story buildings; 120 units.
5. Enter the character of construction as defined by DOL for Davis-Bacon prevailing wage rate purposes.
6. Enter the number of the Davis-Bacon wage decision applicable to the construction work. Include the number of wage decision modifications (if any) applicable to the work.
7. Enter the effective date of the wage decision for the project. (See DOL regulations at 29 CFR 1.6.)
8. Enter the work classifications and corresponding hourly basic wage rates and fringe benefit rates (if any) requested.
9. Self-explanatory.
10. If the requesting employer is not the prime contractor, enter the name and address of the subcontractor/employer making the request.

**Remainder of Form:** HUD Labor Relations/State CDBG use.

**HUD Labor Relations/State CDBG Staff:** Evaluate the employer's request against the criteria for approval (see DOL Regulations, 29 CFR Part 5, and related contract labor standards provisions). The criteria are reflected in "checklist" form to ensure that each factor is considered and to ensure that supporting documentation, including a copy of the applicable wage decision, is attached. Check the box next to each criterion that is met; do not check the box next to any criterion that is not met.

If the request meets all criteria, check the appropriate box, enter the name and telephone number of the HUD/State CDBG agency representative, and sign and date the form. Submit one copy of the completed form to the DOL with a copy of the applicable Davis-Bacon wage decision and the written request from the employer involved.

If the request fails to pass all criteria, check the appropriate box, enter agency contact information, and sign and date the form. Submit one copy of the completed form to the DOL with a copy of the applicable Davis-Bacon wage decision, the written request from the employer involved, and a cover letter explaining how the employer's request failed to meet one or more of the criteria.

**Submission of Report**

Completed forms shall be sent to: Branch of Construction Wage Determinations, U.S. Department of Labor, 200 Constitution Avenue, NW, Room S-3014, Washington, DC 20210.

**SPECIALTY CLASSES THAT SHOULD NOT BE REQUESTED  
IF THE DUTIES ARE PERFORMED BY GENERAL CRAFTS  
IN THE CONTRACT WAGE DETERMINATION**

<b>SPECIALTY</b> (often requested by contractors)	<b>GENERAL CRAFT</b> (may perform the specialty duties)
Drywall (sheetrock) installers	Carpenters
Drywall finishers/tapers	Painters
Alarm installers Sound and communication workers/installers Electronic technicians Lightning protection installers Low voltage installers	Electricians
HVAC mechanics (heating, ventilation and air conditioning mechanics) Refrigeration mechanics/workers Furnace installers Burner repairmen	Sheet metal workers Plumbers Pipe fitters/steam fitters Electricians
Pipe wrappers/insulators Mechanical (system) insulators	Asbestos workers/heat & frost insulators
Batt insulation installers Blown insulation installers	Carpenters Laborers
Asbestos removal from pipes and boilers that will be reinsulated	Asbestos workers/heat & frost insulators
Asbestos removal – except from pipes and boilers that will be reinsulated	Laborers
Metal building assemblers/builders/erectors	Iron workers Laborers Sheet metal workers Carpenters
Fence erectors	Ironworkers Laborer
Rebar workers Rodman (performing rebar work) Steel setters Steel or iron tiers	Ironworkers (reinforcing) Cement workers Laborers
TV-grout operators	Power equipment operators Laborers Truck drivers

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U.S. Department of Labor, Office of Apprenticeship

U.S. DEPARTMENT OF LABOR - OFFICE OF APPRENTICESHIP  
APPRENTICESHIP CERTIFICATION

J. BATHE ELECTRIC  
71 TRIAD SOUTH DRIVE  
ST. CHARLES, MO 63304

The following individuals are apprentices registered with the U.S. Department of Labor, Office of Apprenticeship, under the sponsorship of Program Number MO003410001:

IBEW/NECA JOINT APPRENTICESHIP PROGRAM  
2300 HAMPTON AVENUE  
ST LOUIS, MO 63139

APPRENTICE ID	SSN	APPRENTICE NAME	OCCUPATION	DATE APPRENTICESHIP BEGAN	DATE CANCELLED (If applicable)	DATE COMPLETED (If applicable)
MO11N046781	****6716	JAMES JONES	RESIDENTIAL ELECTRICAL WIREMAN	08/01/2011		
MO11N046880	****0377	ADAM MOLITOR	RESIDENTIAL ELECTRICAL WIREMAN	08/10/2011		

CERTIFIED BY:



Signature on file

STEPHANIE SCHMITT (MO008)

DATE ISSUED:

07/14/2011

Apprenticeship Training Representative

\*\*\*\*\*VOID 90 DAYS FROM ISSUE DATE\*\*\*\*\*

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Program Registration and  
Apprenticeship Agreement  
Office of Apprenticeship Training,  
Employer and Labor Services (OATELS)

**U.S. Department of Labor**  
Employment and Training Administration



**APPRENTICE REGISTRATION-SECTION II**

**Warning:** This agreement does not constitute a certification under Title 29, CFR, Part 5 for the employment of the apprentice on Federally financed or assisted construction projects. Current certifications must be obtained from the Bureau of Apprenticeship and Training or the recognized State Apprenticeship Agency shown below. (Item 22)

The program sponsor and apprentice agree to the terms of Apprenticeship Standards incorporated as part of this Agreement. The sponsor will not discriminate in the selection and training of the apprentice in accordance with the Equal Opportunity Standards in Title 29 CFR Part 30.3, and Executive Order 11246. This agreement may be terminated by either of the parties, citing cause(s), with notification to the registration agency, in compliance with Title 29, CFR, Part 29.6.

**PART A: TO BE COMPLETED BY APPRENTICE. NOTE TO SPONSOR: PART A SHOULD ONLY BE FILLED OUT BY APPRENTICE**

1. Name (Last, First, Middle), and Address (No. Street, City, State, Zip Code)	*Social Security Number  (Voluntary-See reverse)	Answer Both A AND B ( <b>Voluntary</b> ) (Definitions on reverse)	5. Veteran Status (Mark one) <input type="checkbox"/> Non Veteran <input checked="" type="checkbox"/> Veteran
2. Date of Birth (Mo., Day, Year)	3. Sex (mark one) <input type="checkbox"/> Male <input checked="" type="checkbox"/> Female	4. a. Ethnic Group (mark one) <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino	6. Highest education level (Mark one) <input type="checkbox"/> 8 <sup>th</sup> grade or less <input type="checkbox"/> 9 <sup>th</sup> or 12 <sup>th</sup> grade <input type="checkbox"/> GED <input type="checkbox"/> High School Graduate
7. Career Linkage or Direct Entry (mark one) (instructions on reverse) <input type="checkbox"/> None <input type="checkbox"/> Adult <input type="checkbox"/> Youth <input type="checkbox"/> Incumbent Worker <input type="checkbox"/> Job Corps <input type="checkbox"/> Dislocated Worker		<input type="checkbox"/> HUD/STEP-UP <input type="checkbox"/> School-to-Registered Apprenticeship <input type="checkbox"/> Direct Entry:	
8. Signature of Apprentice	Date:	9. Signature of Parent/Guardian (if minor)	Date

**PART B: TO BE COMPLETED BY SPONSOR**

10. Sponsor Program No. Sponsor Name and Address (No. Street, City, County, State, Zip Code)	11a. Trade/Occupation (The work processes listed in the standards are part of this agreement)				
	11b. Occupation Code	12. Term (Hrs., Mos., Yrs.)	13. Probationary Period (Hrs., Mos., Yrs.)		
17a. Related Instruction (number of hours per year)	17b. Apprentice wages for Related Instruction <input type="checkbox"/> Will be paid <input type="checkbox"/> Will not be paid	17c. Related Training Instruction Source	14. Credit for previous Experience (Hrs., Mos., Yrs.)	14. Term remaining (Hrs., Mos., Yrs.)	16. Date apprenticeship begins (Indenture date)
18a. Wages: (Instructions on reverse) 18a. Pre-Apprenticeship Hourly Wages \$ _____	Period 1    2    3    4    5    6    7    8    9    10	18b. Term (Hrs., Mos., Yrs.)	18c. Percent		
18d. Journeyworker's or completion hourly wage \$	18e. Apprentice entry hourly wage \$				
19. Signature of Sponsor Representative	Date Signed		21. Name and address of sponsor designee to receive complaints (if applicable)		
20. Signature of Sponsor Representative	Date Signed				

**PART C: TO BE COMPLETED BY REGISTRATION AGENCY**

22. Registration Agency and Address	23. Signature (Registration Agency)	24. Date registered
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25. Apprentice Identification Number (Definition on reverse):

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**Item 4.a. Definitions:**

**Hispanic or Latino.** A person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race. The term, "Spanish origin," can be used in addition to "Hispanic or Latino."

**Item 4.b. Definitions:**

**American Indian or Alaska Native.** A person having origins in any of the original peoples of North and South America (including Central America), and who maintains tribal affiliation or community attachment.

**Asian.** A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippines Islands, Thailand, and Vietnam.

**Black or African American.** A person having origins in any of the black racial groups of Africa. Terms such as "Haitian" or "Negro" can be used in addition to "Black or African American."

**Native Hawaiian or Other Pacific Islander.** A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands.

**White.** A person having origins in any of the original peoples of Europe, the Middle East, or North Africa.

**Items 7. Instructions:**

Indicate any career linkage (definitions follow) or direct entry. Entry "None" if no career linkage or direct entry apply. Enter "Incumbent Worker" if the individual before becoming an apprentice was currently employed full-time by the sponsor or entities participation in apprenticeship program. Career linkage includes participation in programs that provided employment, training and other services to adults, youth and dislocated workers. Funds for these activities are provided by the U.S. Department of Labor/Employment and Training Administration to states and local communities

**Adult.** Also includes individuals participating in Native American Programs, and/or Migrant and Seasonal Farmworker Programs.

**Youth.** Includes Youth ages 16-24 years, and other concentrated Youth programs in designated areas.

**Dislocated Workers.** Includes an individual that has been terminated or laid off and is unlikely to return to the industry or occupation. It also includes a displaced homemaker who has been providing unpaid services to family members in the home, is no longer supported, and is unemployed or underemployed.

**Job Corps.** Youth ages 16-24 years usually receiving services in a residential setting.

**School-to-Registered Apprenticeship.** Program designed to allow high school youth ages 16-17 to enter a Registered Apprenticeship program and continue after graduation will full credit given for the high school portion.

**HUD/STEP-UP.** Developed in conjunction with the U.S. Department of Housing and Urban Development (HUD). The program provides the actual apprenticeship experience and the framework for moving into high-skill Registered Apprenticeship.

**Direct Entry.** A graduate from an accredited technical training school, Job Corps training program or a participant in a military apprenticeship program, any of which training is specifically related to the occupation and incorporated in the Registered Apprenticeship standards. Also, fill in the name of the program.

**Item 18. Wage Instructions**

18a. Pre-Apprentice Hourly Wage, sponsor enters the hourly wage in the quarter prior to becoming an apprentice.

18b. Term, sponsor enters in each box the apprentice schedule of pay for each advancement period.

18c. Percent, sponsor enters, preferably, the percent of journeyworker's wage.

18d. Journeyworker's wage, sponsor enters date and wage per hour.

18e. Apprentice entry hourly wage, (hourly dollar amount paid) sponsor enters apprentice hourly wage.

**Note:**

18b. The employer agrees to pay the hourly wage rate identified in this section to the apprentice each period of the apprenticeship based on the successful completion of the on-the-job training and the related instruction outlined in the Apprenticeship Standards. The period may be expressed in hours, months, or years.

18c. The wage rates preferably are expressed in percent of journeyworker's wage, but may also be expressed in dollars and cents, depending on the industry.

18d. If the employer is signatory to a collective bargaining agreement, the journeyworkers wage rate in the applicable collective bargaining agreement is identified. Apprenticeship program sponsors not covered by a collective bargaining agreement must identify a minimum journeyworker's hourly rate that will be the basis for the progressive wage schedule identified in item 18.c., of this agreement.

**Example – 3 YEAR APPRENTICESHIP PROGRAM**

Term	Period 1	Period 2	Period 3	Period 4	Period 5	Period 6
hrs, mos, yrs.	1000 hrs.	1000 hrs.	1000 hrs	1000 hrs.	1000 hrs.	1000 hrs.
%	55	60	65	70	80	90

**Example – 4 YEAR APPRENTICESHIP PROGRAM**

Term	Period 1	Period 2	Period 3	Period 4	Period 5	Period 6	Period 7	Period 8
hrs, mos, yrs.	6 mos.							
%	50	55	60	65	70	75	80	90

**Item 25. Definition:**

The apprentice identification number is a unique number generated by the Registered Apprenticeship Information System (the OATELS' data-base), which is used to identify the apprentice. It replaces the social security number to protect the apprentice's privacy.

\*The submission of your social security number is voluntary. For purposes of the Davis Bacon Act of 1931, as amended, U.S. Code Title 40, Sections 276a to 276a-7, and Title 29 CFR 5, your social security number will be used to verify and certify to the U.S. Department of Labor, Employment Standards Administration, that you are a registered apprentice to ensure that the employer is complying with the geographic prevailing wage of your occupational classification. It will be used to verify your periods of employment and wages for purposes of complying with Memorandum M-02-06 of the Office of Management and Budget related to the President's Management Agenda for performance and budget integration of Federal Programs. Your response is voluntary. Failure to disclose your social security number on this form will not affect your right to be registered as an apprentice. Civil and criminal provision of the Privacy Act apply to any unlawful disclosure of your social security number, which is prohibited.

The collection and maintenance of the data on ETA-671, Apprenticeship Agreement Form, is authorized under the National Apprenticeship Act, 29 U.S.C. 50, and Code of Federal Regulations 29 Part 29.1. The data is used for apprenticeship program statistical purposes and is maintained, pursuant to the Privacy Act of 1974 (5 U.S.C. 552a), in a system of records entitled, DOL/ETA-4, Apprenticeship Management System (AMS), at the Office of Apprenticeship Training, Employer and Labor Services, Employment and Training Administration, U.S. Department of Labor. Data may be disclosed to a State Apprenticeship Council to determine an assessment of skill needs and program information, and in connection with federal litigation or when requested by law.

Persons are not required to respond to this collection of information unless it displays a currently valid OMB control number. Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Labor, Office of Apprenticeship Training, Employer and Labor Services, 200 Constitution Avenue, N.W., Room N-4671, Washington, D.C. 20210 (Paperwork Reduction Project 1205-0223).

## **REORGANIZATION PLAN NO. 14 OF 1950**

### **Purpose**

- To promote responsibility for uniform and effective DBRA enforcement among federal procuring agencies under Department of Labor (DOL) coordination.

### **DOL Functions/Responsibilities**

- Secretary of Labor – and, by delegation, the Wage and Hour Division (Wage and Hour) – is responsible for:
  1. Determining prevailing wages.
  2. Issuing regulations and standards to be observed by contracting agencies.
- DOL performs an oversight function and has authority to conduct independent investigations.

### **Contracting Agency Functions/Responsibilities**

- Federal agencies that award contracts and provide federal assistance have **day-to-day** enforcement responsibilities. The federal agency responsibilities include activities such as:
  1. Ensuring the incorporation of Davis-Bacon contract stipulations and appropriate wage determinations in Davis-Bacon and related Act (DBRA) covered contracts (and appropriate guidance concerning the application of multiple wage schedules) in accordance with 29 CFR 1.6(b) and 29 CFR 5.6.
  2. Ensuring that the Davis-Bacon poster (WH 1321) and the applicable wage determination(s) and approved conformances are posted at the site of the work. 29 CFR 6.6(a)(1)(i).
  3. Reviewing certified payrolls in a timely manner. 29 CFR 5.6(a)(3)
  4. Conducting employee interviews. 29 CFR 5.6(a)(3)
  5. Conducting investigations, as appropriate, and forwarding refusal to pay and/or debarment consideration cases to Wage and Hour for

appropriate action. 29 CFR 5.6 and All Agency Memorandum No. 182.

6. Submitting enforcement reports and semi-annual enforcement reports to the DOL. 29 CFR 5.7 and All Agency Memorandum No. 189.
  - Contracting agencies cannot contract out responsibility for the enforcement of the DBRA requirements.
  - Federal contacting agencies are responsible for ensuring that grant recipients who have contracting responsibilities properly apply and enforce DBRA.

## **TRUCK DRIVERS**

### **Definition (29 CFR 5.2(j))**

- > The terms “construction, prosecution, completion, or repair” mean all types of work done on a particular building or work at the site thereof (including work at a facility deemed part of the “site of the work”) by laborers and mechanics of a construction contractor or construction subcontractor including without limitation:
  - >> Altering, remodeling, installation (where appropriate) on the site of the work of items fabricated off-site.
  - >> Painting and decorating.
  - >> The manufacturing or furnishing of materials, articles, supplies or equipment on the site of the building or work.
  - >> Transportation between the “site of the work” (within the meaning of 29 CFR 5.2(l)) and a facility which is dedicated to the construction of the building or work and deemed a part of the “site of the work” (within the meaning of 29 CFR 5.2(l)).

### **Coverage of truck drivers**

- > Truck drivers are covered by Davis-Bacon in the following circumstances:
  - >> Drivers of a contractor or subcontractor for time spent working on the site of the work.
  - >> Drivers of a contractor or subcontractor for time spent loading and/or unloading materials and supplies on the site of the work, if such time is not *de minimis*.
  - >> Truck drivers transporting materials or supplies between a facility that is deemed part of the site of the work and the actual construction site.
  - >> Truck drivers transporting portion(s) of the building or work between a site established specifically for the performance of the contract or project where a significant portion of such building or work is constructed and the physical place(s) where the building or work called for in the contract(s) will remain.

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- Truck drivers are not covered in the following instances:
  - Material delivery truck drivers while off “the site of the work”.
  - Drivers of a contractor or subcontractor traveling between a Davis-Bacon job and a commercial supply facility while they are off the “site of the work.”
  - Truck drivers whose time spent on the site of the work is *de minimis*, such as only a few minutes at a time merely to pick up or drop off materials or supplies.
- DOL has an **enforcement position** with respect to bona fide owner-operators of trucks who own and drive their own trucks. Certified payrolls including the names of such owner-operators do not need to show the hours worked or rates paid, only the notation “owner-operator”. This position does not apply to owner-operators of other equipment such as bulldozers, backhoes, cranes, welding machines, etc.

**Recent rulemaking regarding material delivery truck drivers**

- Three U.S. appellate court decisions in the 1990's led DOL to reexamine and revise the regulatory definition of “construction, prosecution, completion, or repair” as it applies to transportation. In view of three appellate court decisions that had concluded that DOL's application of the related regulatory definitions was at odds with the language of the Davis-Bacon Act that limits coverage to workers employed “directly upon the site of the work,” revisions to the regulatory definitions were issued in 2000 to clarify the regulatory requirements.
- The rulemaking in 2000 addressed the application of Davis-Bacon prevailing wage requirements to material delivery truck drivers.
  - The regulatory definition of “construction, … ” has been changed to provide that the off-site transportation of materials supplies, tools, etc., is not covered unless such transportation occurs between the construction work site and a dedicated facility located “adjacent or virtually adjacent” to the work site.
  - Also, as indicated in the rulemaking, as a practical matter, since generally the great bulk of the time spent by material delivery truck drivers is off-site beyond the scope of Davis-Bacon coverage, while the time spent on-site is relatively brief, DOL chooses to use a rule of reason and will not apply the Act's prevailing wage requirements with respect to the amount of time spent on-site, unless it is more than “*de minimis*.” Under this policy, the Department does not

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*DBRA COMPLIANCE  
PRINCIPLES*

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assert coverage for material delivery truck drivers who come onto the site of the work for only a few minutes at a time merely to drop off construction materials.

- >> For a full discussion of the regulatory changes, see the final rule published in the *Federal Register* on December 20, 2000, 65 FR 80268-80278. A section focused on “Coverage of Transportation – § 5.2(j)” appears on pages 80275-6.)

# EMPLOYEE RIGHTS UNDER THE DAVIS-BACON ACT

## FOR LABORERS AND MECHANICS EMPLOYED ON FEDERAL OR FEDERALLY ASSISTED CONSTRUCTION PROJECTS

THE UNITED STATES DEPARTMENT OF LABOR WAGE AND HOUR DIVISION

<b>PREVAILING WAGES</b>	You must be paid not less than the wage rate listed in the Davis-Bacon Wage Decision posted with this Notice for the work you perform.
<b>OVERTIME</b>	You must be paid not less than one and one-half times your basic rate of pay for all hours worked over 40 in a work week. There are few exceptions.
<b>ENFORCEMENT</b>	Contract payments can be withheld to ensure workers receive wages and overtime pay due, and liquidated damages may apply if overtime pay requirements are not met. Davis-Bacon contract clauses allow contract termination and debarment of contractors from future federal contracts for up to three years. A contractor who falsifies certified payroll records or induces wage kickbacks may be subject to civil or criminal prosecution, fines and/or imprisonment.
<b>APPRENTICES</b>	Apprentice rates apply only to apprentices properly registered under approved Federal or State apprenticeship programs.
<b>PROPER PAY</b>	If you do not receive proper pay, or require further information on the applicable wages, contact the Contracting Officer listed below:

MO Department of Economic Development  
BCS Compliance Team  
PO Box 118  
Jefferson City, MO 65102-0118  
Phone: (573)-751-3600

or contact the U.S. Department of Labor's Wage and Hour Division.



For additional information:

**1-866-4-USWAGE**  
(1-866-487-9243) TTY: 1-877-889-5627



**WWW.WAGEHOUR.DOL.GOV**

# DERECHOS DEL EMPLEADO BAJO LA LEY DAVIS-BACON

## PARA OBREROS Y MECÁNICOS EMPLEADOS EN PROYECTOS DE CONSTRUCCIÓN FEDERAL O CON ASISTENCIA FEDERAL

LA SECCIÓN DE HORAS Y SUELdos DEL DEPARTAMENTO DE TRABAJO DE EEUU

**SALARIOS  
PREVALECENTES** No se le puede pagar menos de la tasa de pago indicada en la Decisión de Salarios Davis-Bacon fijada con este Aviso para el trabajo que Ud. desempeña.

**SOBRETIEMPO** Se le ha de pagar no menos de tiempo y medio de su tasa básica de pago por todas las horas trabajadas en exceso de 40 en una semana laboral. Existen pocas excepciones.

**CUMPLIMIENTO** Se pueden retener pagos por contratos para asegurarse que los obreros reciban los salarios y el pago de sobretiempo debidos, y se podría aplicar daños y perjuicios si no se cumple con las exigencias del pago de sobretiempo. Las cláusulas contractuales de Davis-Bacon permiten la terminación y exclusión de contratistas para efectuar futuros contratos federales hasta tres años. El contratista que falsifique los registros certificados de las nóminas de pago o induzca devoluciones de salarios puede ser sujeto a procesamiento civil o criminal, multas y/o encarcelamiento.

**APRENDICES** Las tasas de aprendices sólo se aplican a aprendices correctamente inscritos bajo programas federales o estatales aprobados.

**PAGO  
APROPIADO** Si Ud. no recibe el pago apropiado, o precisa de información adicional sobre los salarios aplicables, póngase en contacto con el Contratista Oficial que aparece abajo:

MO Department of Economic Development  
BCS Compliance Team  
PO Box 118  
Jefferson City, MO 65102-0118  
Phone: (573)-751-3600

o póngase en contacto con la Sección de Horas y Sueldos del Departamento de Trabajo de EEUU.



Para obtener información adicional:

**1-866-4-USWAGE**  
(1-866-487-9243) TTY: 1-877-889-5627



**WWW.WAGEHOUR.DOL.GOV**

# Equal Employment Opportunity is **THE LAW**

## **Private Employers, State and Local Governments, Educational Institutions, Employment Agencies and Labor Organizations**

Applicants to and employees of most private employers, state and local governments, educational institutions, employment agencies and labor organizations are protected under Federal law from discrimination on the following bases:

### **RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN**

Title VII of the Civil Rights Act of 1964, as amended, protects applicants and employees from discrimination in hiring, promotion, discharge, pay, fringe benefits, job training, classification, referral, and other aspects of employment, on the basis of race, color, religion, sex (including pregnancy), or national origin. Religious discrimination includes failing to reasonably accommodate an employee's religious practices where the accommodation does not impose undue hardship.

### **DISABILITY**

Title I and Title V of the Americans with Disabilities Act of 1990, as amended, protect qualified individuals from discrimination on the basis of disability in hiring, promotion, discharge, pay, fringe benefits, job training, classification, referral, and other aspects of employment. Disability discrimination includes not making reasonable accommodation to the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or employee, barring undue hardship.

### **AGE**

The Age Discrimination in Employment Act of 1967, as amended, protects applicants and employees 40 years of age or older from discrimination based on age in hiring, promotion, discharge, pay, fringe benefits, job training, classification, referral, and other aspects of employment.

### **SEX (WAGES)**

In addition to sex discrimination prohibited by Title VII of the Civil Rights Act, as amended, the Equal Pay Act of 1963, as amended, prohibits sex discrimination in the payment of wages to women and men performing substantially equal work, in jobs that require equal skill, effort, and responsibility, under similar working conditions, in the same establishment.

### **GENETICS**

Title II of the Genetic Information Nondiscrimination Act of 2008 protects applicants and employees from discrimination based on genetic information in hiring, promotion, discharge, pay, fringe benefits, job training, classification, referral, and other aspects of employment. GINA also restricts employers' acquisition of genetic information and strictly limits disclosure of genetic information. Genetic information includes information about genetic tests of applicants, employees, or their family members; the manifestation of diseases or disorders in family members (family medical history); and requests for or receipt of genetic services by applicants, employees, or their family members.

### **RETALIATION**

All of these Federal laws prohibit covered entities from retaliating against a person who files a charge of discrimination, participates in a discrimination proceeding, or otherwise opposes an unlawful employment practice.

### **WHAT TO DO IF YOU BELIEVE DISCRIMINATION HAS OCCURRED**

There are strict time limits for filing charges of employment discrimination. To preserve the ability of EEOC to act on your behalf and to protect your right to file a private lawsuit, should you ultimately need to, you should contact EEOC promptly when discrimination is suspected:

The U.S. Equal Employment Opportunity Commission (EEOC), 1-800-669-4000 (toll-free) or 1-800-669-6820 (toll-free TTY number for individuals with hearing impairments). EEOC field office information is available at [www.eeoc.gov](http://www.eeoc.gov) or in most telephone directories in the U.S. Government or Federal Government section. Additional information about EEOC, including information about charge filing, is available at [www.eeoc.gov](http://www.eeoc.gov).

## Employers Holding Federal Contracts or Subcontracts

Applicants to and employees of companies with a Federal government contract or subcontract are protected under Federal law from discrimination on the following bases:

### RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN

Executive Order 11246, as amended, prohibits job discrimination on the basis of race, color, religion, sex or national origin, and requires affirmative action to ensure equality of opportunity in all aspects of employment.

### INDIVIDUALS WITH DISABILITIES

Section 503 of the Rehabilitation Act of 1973, as amended, protects qualified individuals from discrimination on the basis of disability in hiring, promotion, discharge, pay, fringe benefits, job training, classification, referral, and other aspects of employment. Disability discrimination includes not making reasonable accommodation to the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or employee, barring undue hardship. Section 503 also requires that Federal contractors take affirmative action to employ and advance in employment qualified individuals with disabilities at all levels of employment, including the executive level.

### DISABLED, RECENTLY SEPARATED, OTHER PROTECTED, AND ARMED FORCES SERVICE MEDAL VETERANS

The Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. 4212, prohibits job discrimination and requires affirmative action to employ and advance in employment disabled veterans, recently separated veterans (within

three years of discharge or release from active duty), other protected veterans (veterans who served during a war or in a campaign or expedition for which a campaign badge has been authorized), and Armed Forces service medal veterans (veterans who, while on active duty, participated in a U.S. military operation for which an Armed Forces service medal was awarded).

### RETALIATION

Retaliation is prohibited against a person who files a complaint of discrimination, participates in an OFCCP proceeding, or otherwise opposes discrimination under these Federal laws.

Any person who believes a contractor has violated its nondiscrimination or affirmative action obligations under the authorities above should contact immediately:

The Office of Federal Contract Compliance Programs (OFCCP), U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210, 1-800-397-6251 (toll-free) or (202) 693-1337 (TTY). OFCCP may also be contacted by e-mail at [OFCCP-Public@dol.gov](mailto:OFCCP-Public@dol.gov), or by calling an OFCCP regional or district office, listed in most telephone directories under U.S. Government, Department of Labor.

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## Programs or Activities Receiving Federal Financial Assistance

### RACE, COLOR, NATIONAL ORIGIN, SEX

In addition to the protections of Title VII of the Civil Rights Act of 1964, as amended, Title VI of the Civil Rights Act of 1964, as amended, prohibits discrimination on the basis of race, color or national origin in programs or activities receiving Federal financial assistance. Employment discrimination is covered by Title VI if the primary objective of the financial assistance is provision of employment, or where employment discrimination causes or may cause discrimination in providing services under such programs. Title IX of the Education Amendments of 1972 prohibits employment discrimination on the basis of sex in educational programs or activities which receive Federal financial assistance.

### INDIVIDUALS WITH DISABILITIES

Section 504 of the Rehabilitation Act of 1973, as amended, prohibits employment discrimination on the basis of disability in any program or activity which receives Federal financial assistance. Discrimination is prohibited in all aspects of employment against persons with disabilities who, with or without reasonable accommodation, can perform the essential functions of the job.

If you believe you have been discriminated against in a program of any institution which receives Federal financial assistance, you should immediately contact the Federal agency providing such assistance.

# La Igualdad de Oportunidades en el Empleo es **LA LEY**

## **Empleadores privados, autoridades locales y estatales, instituciones educativas, agencias de empleo y organizaciones laborales**

Los solicitantes de empleo y los empleados de la mayoría de los empleadores privados, autoridades locales y estatales, instituciones educativas, agencias de empleo y organizaciones laborales están protegidos conforme a la ley federal contra la discriminación por cualquiera de los siguientes motivos:

### **RAZA, COLOR, RELIGIÓN, SEXO, ORIGEN NACIONAL**

El Título VII de la Ley de Derechos Civiles de 1964, y sus enmiendas, protege a los solicitantes de empleo y a los empleados contra la discriminación en la contratación, ascenso, despido, sueldo, beneficios adicionales, capacitación laboral, clasificación, referencia, y otros aspectos del empleo, debido a la raza, color, religión, sexo (incluido el embarazo) u origen nacional. La discriminación religiosa incluye el no realizar los arreglos razonables para las prácticas religiosas de un empleado, cuando tales arreglos no impongan una dificultad indebida.

### **DISCAPACIDAD**

El Título I y el Título V de la Ley de Estadounidenses con Discapacidades de 1990, y sus enmiendas, protegen a los individuos que califiquen contra la discriminación por una discapacidad en la contratación, ascenso, despido, sueldo, beneficios adicionales, capacitación laboral, clasificación, referencia, y otros aspectos del empleo. La discriminación por discapacidad incluye el no realizar los arreglos razonables para las limitaciones mentales o físicas conocidas de un individuo con una discapacidad quien solicite empleo o sea empleado, salvo que implique una dificultad indebida.

### **EDAD**

La Ley Contra la Discriminación por Edad en el Empleo de 1967, y sus enmiendas, protege a los solicitantes de empleo y a los empleados que tengan 40 años de edad o más contra la discriminación por la edad en la contratación, ascenso, despido, sueldo, beneficios adicionales, capacitación laboral, clasificación, referencia, y otros aspectos del empleo.

### **SEXO (SALARIOS)**

Adicionalmente a la prohibición de la discriminación por sexo estipulada en el Título VII de la Ley de Derechos Civiles, y sus enmiendas, la Ley de Igualdad Salarial de 1963, y sus enmiendas, prohíbe la discriminación por sexo en el pago de salarios a los hombres y mujeres que realicen un trabajo sustancialmente similar, en empleos que requieran iguales destrezas, esfuerzos y responsabilidades, bajo condiciones laborales similares, en el mismo establecimiento.

### **GENÉTICA**

El Título II de la Ley contra la Discriminación por Información Genética de 2008 (GINA) protege a los solicitantes de empleo y a los empleados contra la discriminación con basada en información genética, en la contratación, ascenso, despido, sueldo, beneficios adicionales, capacitación laboral, clasificación, referencia, y otros aspectos del empleo. GINA también restringe la adquisición de la información genética por parte de los empleadores y limita estrictamente la divulgación de la información genética. La información genética incluye la información sobre las pruebas genéticas de los solicitantes de empleo, los empleados o sus familiares; la manifestación de enfermedades o desordenes en los familiares (historial médico familiar); y las solicitudes o recibo de servicios genéticos por los solicitantes de empleo, los empleados o sus familiares.

### **REPRESALIA**

Todas estas leyes federales prohíben a las entidades cubiertas tomar represalias contra una persona que presente un cargo de discriminación, participe en un procedimiento de discriminación o se oponga a una práctica laboral ilegal.

### **QUÉ DEBE HACER SI CONSIDERA QUE HA OCURRIDO UNA DISCRIMINACIÓN**

Hay límites estrictos de tiempo para presentar cargos de discriminación en el empleo. Para conservar la capacidad del EEOC de actuar en su nombre y para proteger su derecho de presentar una demanda privada, en caso de que en última instancia lo necesite, usted debe comunicarse con el EEOC de manera oportuna cuando sospeche de la discriminación:

La Comisión para la Igualdad de Oportunidades en el Empleo de los EE.UU. (EEOC), 1-800-669-4000 (número gratuito) o 1-800-669-6820 (número TTY gratuito para las personas con dificultades auditivas). La información de las oficinas de campo del EEOC está disponible en [www.eeoc.gov](http://www.eeoc.gov) o en la mayoría de los directorios telefónicos en la sección de Gobierno de los EE.UU. o Gobierno Federal. Puede encontrar información adicional sobre el EEOC, incluida la información sobre la presentación de cargos, en [www.eeoc.gov](http://www.eeoc.gov).

## Empleadores que tengan contratos o subcontratos federales

Los solicitantes de empleo y los empleados de compañías con un contrato o subcontrato gubernamental federal están protegidos conforme a las leyes federales contra la discriminación por los siguientes motivos:

### **RAZA, COLOR, RELIGIÓN, SEXO, ORIGEN NACIONAL**

La Orden Ejecutiva 11246, y sus enmiendas, prohíbe la discriminación en el trabajo por motivo de raza, color, religión, sexo u origen nacional, y exige la aplicación de acción afirmativa para garantizar la igualdad en las oportunidades en todos los aspectos del empleo.

### **INDIVIDUOS CON DISCAPACIDADES**

La Sección 503 de la Ley de Rehabilitación de 1973, y sus enmiendas, protege a los individuos que califiquen contra la discriminación por una discapacidad en la contratación, ascenso, despido, sueldo, beneficios adicionales, capacitación laboral, clasificación, referencia, y otros aspectos del empleo. La discriminación por discapacidad incluye el no realizar los arreglos razonables para las limitaciones mentales o físicas conocidas de un individuo con una discapacidad quien solicite empleo o sea empleado, salvo que implique una dificultad indebida. La Sección 503 también exige que los contratistas federales tomen las acciones afirmativas para emplear y ascender en el empleo a individuos calificados con discapacidades en todos los niveles laborales, incluido el nivel ejecutivo.

### **VETERANOS CON MEDALLAS DEL SERVICIO DE LAS FUERZAS ARMADAS Y VETERANOS DISCAPACITADOS, SEPARADOS RECIENTEMENTE Y DE OTRO ESTATUS PROTEGIDO**

La Ley de Asistencia a la Readaptación de los Veteranos de Vietnam de 1974, y sus enmiendas, 38 U.S.C. 4212, prohíbe la discriminación laboral y exige la acción afirmativa para emplear y ascender en el empleo a veteranos discapacitados, veteranos separados

del servicio recientemente (dentro de los tres años dados de baja del servicio activo), otros veteranos protegidos (quienes hayan prestado el servicio militar en una guerra o en una campaña o expedición para la cual se haya autorizado una insignia de campaña), y los veteranos con medallas del Servicio de las Fuerzas Armadas (veteranos quienes, mientras se encontraban en el servicio activo, participaron en una operación militar de EE.UU. para la cual se les otorgó una medalla del Servicio de las Fuerzas Armadas).

### **REPRESALIA**

Se prohíben las represalias contra una persona que presente un cargo de discriminación, participe en un procedimiento de la Oficina de Programas de Cumplimiento de Contratos Federales (OFCCP), o quien se oponga a la discriminación de conformidad con estas leyes federales.

Toda persona quien considere que un contratista ha incumplido sus obligaciones antidiscriminatorias o de acción afirmativa conforme a las autoridades antes indicadas, debe contactar de inmediato a:

The Office of Federal Contract Compliance Programs (OFCCP), U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210, 1-800-397-6251 (número gratuito) o (202) 693-1337 (número TTY). También puede contactar a la OFCCP por el correo electrónico OFCCP-Public@dol.gov, o llamando a una oficina distrital o regional de la OFCCP, la cual puede encontrar en la mayoría de los directorios telefónicos en la sección U.S. Government (Gobierno de los EE.UU.), Department of Labor (Departamento del Trabajo).

## Programas o actividades que reciban asistencia financiera federal

### **RAZA, COLOR, ORIGEN NACIONAL, SEXO**

Adicionalmente a las protecciones del Título VII de la Ley de Derechos Civiles de 1964, y sus enmiendas, el Título VI de la Ley de Derechos Civiles de 1964, y sus enmiendas, prohíbe la discriminación por raza, color u origen nacional en los programas o actividades que reciban asistencia financiera federal. La discriminación en el empleo está cubierta por el Título VI si el objetivo principal de la asistencia financiera es la provisión del empleo, o donde la discriminación laboral cause o pueda causar una discriminación en la provisión de los servicios conforme a tales programas. El Título IX de las Enmiendas en la Educación de 1972 prohíbe la discriminación en el empleo por motivo del sexo en las actividades o programas educativos que reciban asistencia financiera federal.

### **INDIVIDUOS CON DISCAPACIDADES**

La Sección 504 de la Ley de Rehabilitación de 1973, y sus enmiendas, prohíbe la discriminación en el empleo por una discapacidad, en cualquier programa o actividad que reciba asistencia financiera federal. Se prohíbe la discriminación en todos los aspectos del empleo contra las personas con discapacidades quienes, con o sin arreglos razonables, puedan realizar las funciones esenciales del trabajo.

Si usted considera que ha sido discriminado en un programa de alguna institución que reciba asistencia financiera federal, debe contactar inmediatamente a la agencia federal que proporciona dicha asistencia.

# You Have a Right to a Safe and Healthful Workplace.

# IT'S THE LAW!

- You have the right to notify your employer or OSHA about workplace hazards. You may ask OSHA to keep your name confidential.
- You have the right to request an OSHA inspection if you believe that there are unsafe and unhealthful conditions in your workplace. You or your representative may participate in the inspection.
- You can file a complaint with OSHA within 30 days of discrimination by your employer for making safety and health complaints or for exercising your rights under the OSH Act.
- You have a right to see OSHA citations issued to your employer. Your employer must post the citations at or near the place of the alleged violation.
- Your employer must correct workplace hazards by the date indicated on the citation and must certify that these hazards have been reduced or eliminated.
- You have the right to copies of your medical records or records of your exposure to toxic and harmful substances or conditions.
- Your employer must post this notice in your workplace.



The Occupational Safety and Health Act of 1970 (OSH Act), P.L. 91-596, assures safe and healthful working conditions for working men and women throughout the Nation. The Occupational Safety and Health Administration, in the U.S. Department of Labor, has the primary responsibility for administering the OSH Act. The rights listed here may vary depending on the particular circumstances. To file a complaint, report an emergency, or seek OSHA advice, assistance, or products, call 1-800-321-OSHA or your nearest OSHA office: • Atlanta (404) 562-2300 • Boston (617) 565-9860 • Chicago (312) 353-2220 • Dallas (214) 767-4731 • Denver (303) 844-1600 • Kansas City (816) 426-5861 • New York (212) 337-2378 • Philadelphia (215) 861-4900 • San Francisco (415) 975-4310 • Seattle (206) 553-5930. Teletypewriter (TTY) number is 1-877-889-5627. To file a complaint online or obtain more information on OSHA federal and state programs, visit OSHA's website at [www.osha.gov](http://www.osha.gov). If your workplace is in a state operating under an OSHA-approved plan, your employer must post the required state equivalent of this poster.

**1-800-321-OSHA**  
**[www.osha.gov](http://www.osha.gov)**

U.S. Department of Labor  • Occupational Safety and Health Administration • OSHA 3165

## Usted Tiene el Derecho a un Lugar de Trabajo Seguro y Saludable.

# ¡LO ESTABLECE LA LEY!

- Tiene el derecho de notificar a su empleador o a la OSHA sobre cualquier peligro en su lugar de trabajo. Puede pedir a la OSHA que mantenga su nombre en reserva.
- Tiene el derecho de solicitar una inspección de la OSHA si considera que existen condiciones peligrosas y poco saludables en su lugar de trabajo. Usted o su representante puede participar en la inspección.
- Puede presentar un reclamo a OSHA durante un plazo de 30 días si su empleador lo discrimina por presentar reclamos de seguridad y sanidad o por ejercer sus derechos de acuerdo con la Ley.
- Tiene el derecho de ver las citaciones de la OSHA enviadas a su empleador. Su empleador debe colocar las citaciones en un lugar visible en el sitio de la supuesta infracción o cerca de él.
- Su empleador debe corregir los peligros en el lugar de trabajo dentro del plazo indicado en la citación y debe certificar que dichos peligros se hayan reducido o eliminado.
- Tiene el derecho de recibir copias de su historial médico o de los registros de su exposición a sustancias o condiciones tóxicas y peligrosas.
- Su empleador debe colocar este aviso en un lugar visible de su lugar de trabajo.



La Ley de Seguridad y Salud Ocupacionales de 1970 (la Ley), P.L. 91-596, garantiza condiciones ocupacionales seguras y saludables para los hombres y las mujeres que desempeñen algún trabajo en toda la Nación. La Administración de Seguridad y Salud Ocupacionales (OSHA), dependiente del Departamento del Trabajo de los Estados Unidos, es la responsable principal de supervisar la Ley. Los derechos que se indican en este documento pueden variar según las circunstancias particulares. Para presentar un reclamo, informar sobre una emergencia o pedir consejo, asistencia o productos de la OSHA, llame al 1-800-321-OSHA o a la oficina de la OSHA más cercana a usted: • Atlanta (404) 562-2300 • Boston (617) 565-9860 • Chicago (312) 353-2220 • Dallas (214) 767-4731 • Denver (303) 844-1600 • Ciudad de Kansas (816) 426-5861 • Nueva York (212) 337-2378 • Filadelfia (215) 861-4900 • San Francisco (415) 975-4310 • Seattle (206) 553-5930. El número TTY es 1-877-889-5627. Para presentar un reclamo en línea u obtener más información sobre los programas federales y estatales de la OSHA, visite el sitio Web de la OSHA en [www.osha.gov](http://www.osha.gov). Si su lugar de trabajo se encuentra en un estado que funciona según un plan aprobado por la OSHA, su empleador debe colocar en un sitio visible el equivalente estatal de este afiche.

**I-800-321-OSHA**  
**[www.osha.gov](http://www.osha.gov)**

## MISSOURI PREVAILING WAGE LAW

### **290.210. Definitions.**

As used in sections 290.210 to 290.340, unless the context indicates otherwise:

- (1) "**Construction**" includes construction, reconstruction, improvement, enlargement, alteration, painting and decorating, or major repair.
- (2) "**Department**" means the department of labor and industrial relations.
- (3) "**Locality**" means the county where the physical work upon public works is performed, except that if there is not available in the county a sufficient number of competent skilled workmen to construct the public works efficiently and properly, "locality" may include two or more counties adjacent to the one in which the work or construction is to be performed and from which such workers may be obtained in sufficient numbers to perform the work, and that, with respect to contracts with the state highways and transportation commission, "locality" may be construed to include two or more adjacent counties from which workmen may be accessible for work on such construction.
- (4) "**Maintenance work**" means the repair, but not the replacement, of existing facilities when the size, type or extent of the existing facilities is not thereby changed or increased.
- (5) "**Prevailing hourly rate of wages**" means the wages paid generally, in the locality in which the public works is being performed, to workmen engaged in work of a similar character including the basic hourly rate of pay and the amount of the rate of contributions irrevocably made by a contractor or subcontractor to a trustee or to a third person pursuant to a fund, plan or program, and the amount of the rate of costs to the contractor or subcontractor which may be reasonably anticipated in providing benefits to workmen and mechanics pursuant to an enforceable commitment to carry out a financially responsible plan or program which was communicated in writing to the workmen affected, for medical or hospital care, pensions on retirement or death, compensation for injuries or illness resulting from occupational activity, or insurance to provide any of the foregoing, for unemployment benefits, life insurance, disability and sickness insurance, accident insurance, for vacation and holiday pay, for defraying costs of apprenticeship or other similar programs, or for other bona fide fringe benefits, but only where the contractor or subcontractor is not required by other federal or state law to provide any of the benefits; provided, that the obligation of a contractor or subcontractor to make payment in accordance with the prevailing wage determinations of the department, insofar as sections 290.210 to 290.340 are concerned, may be discharged by the making of payments in cash, by the making of irrevocable contributions to trustees or third persons as provided herein, by the assumption of an enforceable commitment to bear the costs of a plan or program as provided herein, or any combination thereof, where the aggregate of such payments, contributions and costs is not less than the rate of pay plus the other amounts as provided herein.

(6) "**Public body**" means the state of Missouri or any officer, official, authority, board or commission of the state, or other political subdivision thereof, or any institution supported in whole or in part by public funds.

(7) "**Public works**" means all fixed works constructed for public use or benefit or paid for wholly or in part out of public funds. It also includes any work done directly by any public utility company when performed by it pursuant to the order of the public service commission or other public authority whether or not it be done under public supervision or direction or paid for wholly or in part out of public funds when let to contract by said utility. It does not include any work done for or by any drainage or levee district.

(8) "**Workmen**" means laborers, workmen and mechanics.

**290.220. Policy declared.**

It is hereby declared to be the policy of the state of Missouri that a wage of no less than the prevailing hourly rate of wages for work of a similar character in the locality in which the work is performed shall be paid to all workmen employed by or on behalf of any public body engaged in public works exclusive of maintenance work.

**290.230. Prevailing wage rates required on construction of public works.**

1 Not less than the prevailing hourly rate of wages for work of a similar character in the locality in which the work is performed, and not less than the prevailing hourly rate of wages for legal holiday and overtime work, shall be paid to all workmen employed by or on behalf of any public body engaged in the construction of public works, exclusive of maintenance work. Only such workmen as are directly employed by contractors or subcontractors in actual construction work on the site of the building or construction job shall be deemed to be employed upon public works.

2 When the hauling of materials or equipment includes some phase of construction other than the mere transportation to the site of the construction, workmen engaged in this dual capacity shall be deemed employed directly on public works.

**290.240. Department of labor and industrial relations to enforce - make regulations.**

1 The department shall inquire diligently as to any violation of sections 290.210 to 290.340, shall institute actions for penalties herein prescribed, and shall enforce generally the provisions of sections 290.210 to 290.340.

2 The department may establish rules and regulations for the purpose of carrying out the provisions of sections 290.210 to 290.340.

**290.250. Prevailing wage, incorporation into contracts - failure to pay, penalty complaints of violation, public body or prime contractor to withhold payment.**

Every public body authorized to contract for or construct public works, before advertising for bids or undertaking such construction shall request the department to determine the prevailing rates of wages for workmen for the class or type of work called for by the public works, in the locality where the work is to be performed. The department shall determine the prevailing hourly rate of wages in the locality in which the work is to be performed for each type of workman required to execute the contemplated contract and such determination or schedule of the prevailing hourly rate of wages shall be attached to and made a part of the specifications for the work. The public body shall then specify in the resolution or ordinance and in the call for bids for the contract, what is the prevailing hourly rate of wages in the locality for each type of workman needed to execute the contract and also the general prevailing rate for legal holiday and overtime work. It shall be mandatory upon the contractor to whom the contract is awarded and upon any subcontractor under him, to pay not less than the specified rates to all workmen employed by them in the execution of the contract. The public body awarding the contract shall cause to be inserted in the contract a stipulation to the effect that not less than the prevailing hourly rate of wages shall be paid to all workmen performing work under the contract. It shall also require in all contractors' bonds that the contractor include such provisions as will guarantee the faithful performance of the prevailing hourly wage clause as provided by contract. The contractor shall forfeit as a penalty to the state, county, city and county, city, town, district or other political subdivision on whose behalf the contract is made or awarded ten dollars for each workman employed, for each calendar day, or portion thereof, such workman is paid less than the said stipulated rates for any work done under said contract, by him or by any subcontractor under him, and the said public body awarding the contract shall cause to be inserted in the contract a stipulation to this effect. It shall be the duty of such public body awarding the contract, and its agents and officers, to take cognizance of all complaints of all violations of the provisions of sections 290.210 to 290.340 committed in the course of the execution of the contract, and, when making payments to the contractor becoming due under said contract, to withhold and retain therefrom all sums and amounts due and owing as a result of any violation of sections 290.210 to 290.340. It shall be lawful for any contractor to withhold from any subcontractor under him sufficient sums to cover any penalties withheld from him by the awarding body on account of said subcontractor's failure to comply with the terms of sections 290.210 to 290.340, and if payment has already been made to him, the contractor may recover from him the amount of the penalty in a suit at law.

**290.260. Determination of hourly rate for highways and transportation commission, when made, where filed, objections, hearing, determination.**

1. The department, as it deems necessary, shall from time to time investigate and determine the prevailing hourly rate of wages in the localities. A determination applicable to every locality to be contained in a general wage order shall be made annually on or before July first of each

year for the Missouri state highways and transportation commission and shall remain in effect until superseded by a new general wage order. In determining prevailing rates, the department shall ascertain and consider the applicable wage rates established by collective bargaining agreements, if any, and the rates that are paid generally within the locality.

2. A certified copy of the determination so made shall be filed immediately with the secretary of state and with the department in Jefferson City. Copies shall be supplied by the department to all persons requesting them within ten days after the filing.

3. At any time within thirty days after the certified copies of the determinations have been filed with the secretary of state and the department, any person who is affected thereby may object in writing to the determination or the part thereof that he deems objectionable by filing a written notice with the department, stating the specific grounds of the objection.

4. Within thirty days of the receipt of the objection, the department shall set a date for a hearing on the objection. The date for the hearing shall be within sixty days of the receipt of the objection. Written notice of the time and place of the hearing shall be given to the objectors at least ten days prior to the date set for the hearing.

5. The department at its discretion may hear each written objection separately or consolidate for hearing any two or more written objections. At the hearing the department shall first introduce in evidence the investigation it instituted and the other facts which were considered at the time of the original determination which formed the basis for its determination. The department, or the objector, or any interested party, thereafter may introduce any evidence that is material to the issues.

6. Within twenty days of the conclusion of the hearing, the department must rule on the written objection and make the final determination that it believes the evidence warrants. Immediately, the department shall file a certified copy of its final determination with the secretary of state and with the department and shall serve a copy of the final determination on all parties to the proceedings by personal service or by registered mail.

7. This final decision of the department of the prevailing wages in the locality is subject to review in accordance with the provisions of chapter 536, RSMo. Any person affected, whether or not the person participated in the proceedings resulting in the final determination, may have the decision of the department reviewed. The filing of the final determination with the secretary of state shall be considered a service of the final determination on persons not participating in the administrative proceedings resulting in the final determination.

8. At any time before trial any person affected by the final determination of the department may intervene in the proceedings to review under chapter 536, RSMo, and be made a party to the proceedings.

9. All proceedings in any court affecting a determination of the department under the provisions of sections 290.210 to 290.340 shall have priority in hearing and determination over all other civil proceedings pending in the court, except election contests.

**290.262. Determination of hourly rate by location and occupation title, when made, where filed - objections, hearings - final determination - notice to department by public body, when.**

1. Except as otherwise provided in section 290.260, the department shall annually investigate and determine the prevailing hourly rate of wages in each locality for each separate occupational title. A final determination applicable to every locality to be contained in an annual wage order shall be made annually on or before July first of each year and shall remain in effect until superseded by a new annual wage order or as otherwise provided in this section. In determining prevailing rates, the department shall ascertain and consider the applicable wage rates established by collective bargaining agreements, if any, and the rates that are paid generally within the locality, and shall, by March tenth of each year, make an initial determination for each occupational title within the locality.

2. A certified copy of the initial determinations so made shall be filed immediately with the secretary of state and with the department in Jefferson City. Copies shall be supplied by the department to all persons requesting them within ten days after the filing.

3. At any time within thirty days after the certified copies of the determinations have been filed with the secretary of state and the department, any person who is affected thereby may object in writing to a determination or a part thereof that he deems objectionable by filing a written notice with the department, stating the specific grounds of the objection. If no objection is filed, the determination is final after thirty days.

4. After the receipt of the objection, the department shall set a date for a hearing on the objection. The date for the hearing shall be within sixty days of the receipt of the objection. Written notice of the time and place of the hearing shall be given to the objectors at least ten days prior to the date set for the hearing.

5. The department at its discretion may hear each written objection separately or consolidate for hearing any two or more written objections. At the hearing the department shall first introduce in evidence the investigation it instituted and the other facts which were considered at the time of the original determination which formed the basis for its determination. The department, or the objector, or any interested party, thereafter may introduce any evidence that is material to the issues.

6. Within twenty days of the conclusion of the hearing, the department shall rule on the written objection and make the final determination that it believes the evidence warrants. Immediately, the department shall file a certified copy of its final determination with the secretary of state and with the department and shall serve a copy of the final determination on all parties to the proceedings by personal service or by registered mail.

7. This final decision of the department of the prevailing wages in the locality for each occupational title is subject to review in accordance with the provisions of chapter 536, RSMo. Any person affected, whether or not the person participated in the proceedings resulting in the final determination, may have the decision of the department reviewed. The filing of the final determination with the secretary of state shall be considered a service of the final determination on persons not participating in the administrative proceedings resulting in the final determination.

8. At any time before trial any person affected by the final determination of the department may intervene in the proceedings to review under chapter 536, RSMo, and be made a party to the proceedings.

9. Any annual wage order made for a particular occupational title in a locality may be altered once each year, as provided in this subsection. The prevailing wage for each such occupational title may be adjusted on the anniversary date of any collective bargaining agreement, which covers all persons in that particular occupational title in the locality in accordance with any annual incremental wage increases set in the collective bargaining agreement. If the prevailing wage for an occupational title is adjusted pursuant to this subsection, the employee's representative or employer in regard to such collective bargaining agreement shall notify the department of this adjustment, including the effective date of the adjustment. The adjusted prevailing wage shall be in effect until the next final annual wage order is issued pursuant to this section. The wage rates for any particular job, contracted and commenced within sixty days of the contract date, which were set as a result of the annual or revised wage order, shall remain in effect for the duration of that particular job.

10. In addition to all other reporting requirements of sections 290.210 to 290.340, each public body which is awarding a contract for a public works project shall, prior to beginning of any work on such public works project, notify the department, on a form prescribed by the department, of the scope of the work to be done, the various types of craftsmen who will be needed on the project, and the date work will commence on the project.

**290.263. Hourly wage must equal or exceed federal minimum wage.**

The hourly wages to be paid as prescribed in section 290.250 to workmen upon public works shall not be less than the minimum wage specified under Section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended.

**290.265. Wage rates posted, where.**

A clearly legible statement of all prevailing hourly wage rates to be paid to all workmen employed in order to execute the contract and employed on the construction of the public works shall be kept posted in a prominent and easily accessible place at the site thereof by each contractor and subcontractor engaged in the public works projects under the provisions of this law and such notice shall remain posted during the full time that any such workman shall be employed on the public works.

**290.270. Declaration as to prevailing wages final - maximum wages and hours not limited.**

The finding of the department ascertaining and declaring the prevailing hourly rate of wages shall be final for the locality, unless reviewed under the provisions of sections 290.210 to 290.340. Nothing in sections 290.210 to 290.340, however, shall be construed to prohibit the payment to any workman employed on any public work of more than the prevailing rate of wages. Nothing in sections 290.210 to 290.340 shall be construed to limit the hours of work which may be performed by any workman in any particular period of time.

**290.280. Administration of oaths - subpoenas - enforcement of subpoenas.**

The authorized representative of the department may administer oaths, take or cause to be taken the depositions of witnesses, and require by subpoena the attendance and testimony of witnesses and the production of all books, records, and other evidence relative to any matter under investigation or hearing. The subpoena shall be signed and issued by the department's authorized representative. In case of failure of any person to comply with any subpoena lawfully issued under this section, or on the refusal of any witness to produce evidence or to testify to any matter regarding which he may be lawfully interrogated, the authorized representative of the department may proceed to enforce obedience to the subpoenas in the manner provided by section 536.077, RSMo, for administrative agencies. The authorized representative of the department shall have the power to certify to official acts.

**290.290. Contractor's payroll records, contents - affidavit of compliance required - signs on motor vehicles and equipment, requirements - temporary stationary sign, when exception.**

1. The contractor and each subcontractor engaged in any construction of public works shall keep full and accurate records clearly indicating the names, occupations and crafts of every workman employed by them in connection with the public work together with an accurate record of the number of hours worked by each workman and the actual wages paid therefor. The payroll records required to be so kept shall be open to inspection by any authorized representative of the contracting public body or of the department at any reasonable time and as often as may be necessary and such records shall not be destroyed or removed from the state for the period of one year following the completion of the public work in connection with which the records are made.

2. Each contractor and subcontractor shall file with the contracting public body upon completion of the public work and prior to final payment therefor an affidavit stating that he had fully complied with the provisions and requirements of this chapter, and no public body shall be authorized to make final payment until such affidavit is filed therewith in proper form and order.

3. Each contractor and subcontractor engaged in any construction of public works shall have its name, acceptable abbreviation or recognizable logo and the name of the city and state of the mailing address of the principal office of the company, on each motor vehicle and motorized self-propelled piece of equipment which is used in connection with such public works project during the time the contractor or subcontractor is engaged on such project. The sign shall be legible from a distance of twenty feet but the size of the lettering need not be larger than two inches. In cases where equipment is leased or where affixing a legible sign to the equipment is impractical, the contractor may place a temporary stationary sign, with the information required pursuant to this subsection, at the main entrance of the construction project in place of affixing the required information on the equipment so long as such sign is not in violation of any state or federal statute, rule or regulation. Motor vehicles which are required to have similar information affixed thereto pursuant to requirements of a regulatory agency of the state or federal government are exempt from the provisions of this subsection.

4. The provisions of subsection 3 of this section shall not apply to construction of public works for which the contract awarded is in the amount of two hundred fifty thousand dollars or less.

**290.300. Actions for prevailing wages by workman authorized.**

Any workman employed by the contractor or by any subcontractor under the contractor who shall be paid for his services in a sum less than the stipulated rates for work done under the contract, shall have a right of action for double whatever difference there may be between the amount so paid and the rates provided by the contract together with a reasonable attorney's fee to be determined by the court, and an action brought to recover same shall be deemed to be a suit for wages, and any and all judgments entered therein shall have the same force and effect as other judgments for wages.

**290.305. Rebates by workmen prohibited, exception.**

No person, firm or corporation shall violate the wage provisions of any contract contemplated in sections 290.210 to 290.340 or suffer or require any employee to work for less than the rate of wages so fixed, or violate any of the provisions contained in sections 290.210 to 290.340. Where workmen are employed and their rate of wages has been determined as provided in sections 290.210 to 290.340, no person, either for himself or any other person, shall request, demand or receive, either before or after such workman is engaged, that such workman pay back, return, donate, contribute, or give any part or all of said workman's wages, salary, or thing of value, to any person, upon the statement, representation, or understanding that failure to comply with such request or demand will prevent such workman from procuring or retaining employment, and no person shall, directly or indirectly, pay, request or authorize any other person to violate this section. This section does not apply to any agent or representative of a duly constituted labor organization acting in the collection of dues or assessments of such organization.

**290.315. Deductions from wages, agreement to be written, approval of public body required.**

All contractors and subcontractors required in sections 290.210 to 290.340 to pay not less than the prevailing rate of wages shall make full payment of such wages in legal tender, without any deduction for food, sleeping accommodations, transportation, use of small tools, or any other thing of any kind or description. This section does not apply where the employer and employee enter into an agreement in writing at the beginning of said term of employment covering deductions for food, sleeping accommodations, or other similar items, provided such agreement is submitted by the employer to the public body awarding the contract and the same is approved by such public body as fair and reasonable.

**290.320. Advertising for bids before prevailing wage is determined prohibited.**

No public body, officer, official, member, agent or representative authorized to contract for public works shall fail, before advertising for bids or contracting for such construction, to have the department determine the prevailing rates of wages of workmen for each class of work called for by the public works in the locality where the work is to be performed as provided in sections 290.210 to 290.340.

**290.325. Awarding contract or payment without prevailing wage determination prohibited.**

No public body, officer, official, member, agent or representative thereof authorized to contract for public works shall award a contract for the construction of such improvement or disburse any funds on account of the construction of such public improvement, unless such public body has first had the department determine the prevailing rates of wages of workmen for the class of work called for by such public works in the locality where the work is to be performed and such determination has been made a part of the specifications and contract for such public works.

**290.330. Convicted violators of sections 290.210 to 290.340 listed, effect of.**

The department after investigation, upon complaint or upon its own initiative, shall file with the secretary of state a list of the contractors and subcontractors who it finds have been prosecuted and convicted for violations of sections 290.210 to 290.340 and such contractor or subcontractor, or simulations thereof, shall be prohibited from contracting directly or indirectly with any public body for the construction of any public works or from performing any work on the same as a contractor or subcontractor for a period of one year from the date of the first conviction for such violation and for a period of three years from the date of each subsequent violation and conviction thereof. No public body shall award a contract for a public works to any contractor or subcontractor, or simulation thereof, during the time that its name appears on said list. The filing of the notice of conviction with the secretary of state shall be notice to all public bodies and their officers, officials, members, agents and representatives.

**290.335. Notice of violation, failure to comply, attorney general shall sue, injunctive relief authorized.**

If it is found that a public body, contractor or subcontractor has not complied with any of the terms of sections 290.210 to 290.340, the department shall give notice of the precise violation in writing to such public body, contractor or subcontractor. Sufficient time may be allowed for compliance therewith as the department deems necessary. After the expiration of the time prescribed in said notice, the department may in writing inform the attorney general of the fact that such notice has been given and that the public body, contractor or subcontractor or the authorized representative or agent thereof to whom it was directed has not complied with such notice. Upon receipt thereof, the attorney general shall at the earliest possible time bring suit in the name of the state in the circuit court of the county in which such public body is located or where any such contractor or subcontractor is engaged in any public works to enjoin the award of such contract for a public works, or any further work or payments thereunder if the contract has been awarded, until the requirements of such notice are fully complied with. The court may issue a temporary restraining order with due notice to the defendant in such action. The plaintiff shall in any such injunctive action post an adequate bond to be set by the circuit judge. Upon final hearing thereof, if the court is satisfied that the requirements of the notice by the department to the defendant were not unreasonable or arbitrary, it shall issue an order enjoining the awarding of such contract for a public works, or any further work or payments thereunder if the contract has been awarded, until the notice is fully complied with. Such injunction shall continue operative until the court is satisfied that the requirements of such notice have been complied with and the court shall have and exercise with respect to the enforcement of such injunctions all the power in it in other similar cases. Both the plaintiff and defendant in such action have the same rights of appeal as are provided by law in other injunction proceedings.

**290.340. Penalty for violation.**

Any officer, official, member, agent or representative of any public body, contractor or subcontractor who willfully violates and omits to comply with any of the provisions and requirements of sections 290.210 to 290.340 shall be punished for each violation thereof by a fine not exceeding five hundred dollars, or by imprisonment not exceeding six months, or by both such fine and imprisonment. Each day such violation or omission continues shall constitute a separate offense as contemplated by this section.

## THE MISSOURI OCCUPATIONAL TITLE RULE IN THE CONSTRUCTION OF PUBLIC WATER DISTRIBUTION SYSTEMS: DETERMINING THE CORRECT WAGE RATE

By Jim Boeckman, Division of Labor Standards

In Missouri, occupational titles are defined by rule. See 8 CSR 30-3.060. To determine the wage rate owed to a worker, the tasks performed by the worker must be identified. The tasks are then located in the rule, and the rate associated with that title is the rate owed.

The Division of Labor Standards has consistently maintained that the installation of pressurized pipe includes all tasks necessary to complete the project that are not part of any other occupational title definition. This standard is simple to apply. A contractor should review the occupational titles for the task being performed by the worker and pay the wage rate that corresponds to the title where the task is found.

The Division's basic premise is that a task is paid the wage rate for the occupational title in which it is found. If a specific task in the pressurized pipe installation process is not found in any other occupational title, then it falls under the definition of installation in the occupational title of pipe fitter.

Although we recognize that this may not be a complete list of tasks for the installation of pressurized pipe, the following tasks fall under the occupational titles listed below:

Task	Occupational Title
Unloading pipe from a truck by hand, either along the trench or at a stock pile	Laborer
Unloading pipe with machinery (i.e., backhoe)	Operating Engineer
Moving of pipe from one location to another with machinery	Operating Engineer
Digging of the trench with machinery (i.e., backhoe)	Operating Engineer
Digging of the trench by hand	Laborer
Handling of the pipe by machine	Operating Engineer
Rigging of pipe, connecting or disconnecting, in a sling from either a truck or to place in the trench	Pipe Fitter
Placement of the pipe in a trench, other than by use of a machine	Pipe Fitter
Guiding, lubricating/soaping, installation of gaskets, and polywrapping of pipe	Pipe Fitter
Alignment, proper elevation, and joining/connecting pipe	Pipe Fitter
Back filling or adding gravel to the trench by hand	Laborer
Back filling with machinery (i.e., backhoe)	Operating Engineer

The Division does not differentiate between work being performed inside or outside of the trench to define which tasks are part of installation.

Any other work involved in the project to install pressurized pipe from the time of initial award of the bid until completion that is not specifically identified in another occupational title is considered to be a part of installation under the occupational title of pipe fitter.

Work in connection with nonpressurized pipelines that is not specifically identified in another occupational title is considered to fall within the occupational title of general laborer.

Workers are to be paid the appropriate wage rate for the type of work performed. A worker's pay rate may vary throughout the day if he or she performs tasks that fall under multiple occupational titles. Certified payroll records should list, among other things, the occupational title(s) and the number of hours the task was performed by the worker. Overtime situations will be looked at on a case-by-case basis, but normally the appropriate overtime rate should be paid at the rate based on the type of work being performed when the overtime hours are worked.

The Missouri Prevailing Wage Law and Rules can be found on the web at [www.labor.mo.gov/DLS](http://www.labor.mo.gov/DLS). Requests for copies of brochures and any questions you may have can be directed to the Division of Labor Standards by calling 1-800-475-2130.

FY2013 CDBG Administrative Manual  
Labor Standards



MISSOURI DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS  
DIVISION OF LABOR STANDARDS  
**REQUEST FOR WAGE DETERMINATION**

**PLEASE RETURN TO:** Division of Labor Standards  
Attn: Prevailing Wage Section  
P.O. Box 449  
Jefferson City, MO 65102-0449

Phone: 573-751-3403  
Fax: 573-751-3721  
E-mail: [prevailingwage@dolir.mo.gov](mailto:prevailingwage@dolir.mo.gov)  
Website: [www.dolir.mo.gov/lis](http://www.dolir.mo.gov/lis)

**REQUESTER INFORMATION**

I am requesting a wage determination according to Chapter 290 of the Missouri Prevailing Wage Law (sections 290.210 through 290.340 and 290.550 through 290.580 RSMo).

Name of Requester ( <i>please print</i> )	Requester's Title	
Requester's Organization	Phone Number ( <i>include Area Code</i> )	
Mailing Address	E-mail Address	
City	State	Zip Code

**PUBLIC BODY INFORMATION**

Contact Person at Public Body		
Official Name of the Public Body requesting the wage rates	Phone Number ( <i>include Area Code</i> )	
Street Address	E-mail Address	
City	State	Zip Code

**FUNDING INFORMATION**

Will the federal government or any of its agencies furnish loans or grants for any part of the funds used in your contracts?

Yes    No

If "Yes," will the federal government or any of its agencies also prescribe a schedule of Prevailing Wage Rates?

Yes    No

**COUNTY(IES) REQUESTED**

Please list county(ies) requested: \_\_\_\_\_  
(for St. Louis, please specify "County" or "City")

**ANNUAL WAGE ORDER PASSWORDS**

The Annual Wage Order is being provided to requesters via the Division's website. Passwords are required to access the Annual Wage Order and Incremental Increases on the Internet. Please provide an e-mail address below where we can send a password to you.

E-mail address: \_\_\_\_\_

Requester's Signature

/ /  
Date of Request

PW-3 (04-06) AI



MISSOURI DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS  
DIVISION OF LABOR STANDARDS

**PREVAILING WAGE  
PROJECT NOTIFICATION – CONTRACTOR INFORMATION NOTIFICATION**

The information below is requested pursuant to Sections 290.210 through 290.340 and 290.550 through 290.580  
REVISED STATUTES OF MISSOURI.

1. Date of Notification	2. Annual Wage Order No. Included in Bid Specifications
3. Popular or Descriptive Name of Project	
4. Estimated Project Cost of Completion <i>(total construction contracts to be awarded)</i> \$	
5. Exact Location of Project *Specify Name of <sup>1</sup> County and <sup>2</sup> City, Village or District <u>County</u> <u>City or Village</u> <u>Township</u>	
6. Official Name of Public Body or Agency	
7. Name of Contact Person	8. Phone Number <i>(include area code)</i>
9. Address	
10. E-mail Address	Website
11. Anticipated Date for Soliciting or Advertising for Bids	12. Anticipated Date for Contract Awarding
13. Proposed Date for Start of Work on Project	14. Estimated Date of Project Completion
15. Will There Be Any Federal Funds Used in this Contract? <input type="checkbox"/> Yes <input type="checkbox"/> No	
16. Contractor Information Notification <i>(Optional, please provide if available.)</i>	
General Contractor: Name _____ Address _____ City _____ State _____ Zip _____	
List all Sub-Contractors: Name _____ Address _____ City _____ State _____ Zip _____ Name _____ Address _____ City _____ State _____ Zip _____	

The state of Missouri requires workers on public works projects be paid prevailing wage. Public bodies have certain duties required to fulfill under this law (Section 290.210 - 290.340 RSMo).

Mail, Fax or E-mail completed form to:  
DIVISION OF LABOR STANDARDS  
Attn: Prevailing Wage Section  
P.O. Box 449  
Jefferson City, MO 65102-0449  
Phone: 573-751-3403  
Fax: 573-751-3721  
E-mail: [prevailingwage@dolir.mo.gov](mailto:prevailingwage@dolir.mo.gov)  
Website: [www.dolir.mo.gov/lis](http://www.dolir.mo.gov/lis)

PW-2 (04-06) AI



MISSOURI DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS  
DIVISION OF LABOR STANDARDS

### MISSOURI PUBLIC WORK CHECK-OFF LIST

Missouri law prohibits all employers from employing aliens unlawfully present in the United States to perform work within the state of Missouri. Our law mandates that all employees working on the site of public works construction projects must have received safety training. The Prevailing Wage Law requires that not less than the locally prevailing wages be paid to workers on every construction project in the state that is for the public use or benefit or that uses public funds. Public entities must comply with these laws. Failure to comply with many of these laws constitutes a misdemeanor for the employer and for the public official that does not fulfill the responsibilities they impose. The purpose of many of these laws is to protect the tax base, keep workers safe, and ensure that construction remains a high-skilled enterprise. These laws require all public bodies to be good employers and not participate in corner-cutting that hurts our economy, our labor standards and puts worker safety at risk. The Division of Labor Standards (DLS) can help your project to comply with the laws of the state by using the check-off list below.

## I

### Before Contract Is Let

- Before the contract is let, you must request and receive a wage order from the DLS (See sections 290.250 and 290.325, RSMo, enclosed in the laws section) by submitting a "**Request for Wage Determination**" form - PW-3 (enclosed in the forms section) to the Division. The Division emails those requesting wage orders a password with further instructions on how to obtain a wage order.
- Attach the wage order provided by DLS to, and make it a part of, the specifications for the work to be performed under the contract (see section 290.250 and 290.325, RSMo, enclosed in the laws section).
- Create a contract which incorporates the following:
  - Insert a statement such as: "**Not less** than the prevailing hourly rate of wages, as set out in the wage order attached to and made part of the specification for work under the contract, **must** be paid to all workers performing work under the contract." (See section 290.250, RSMo, enclosed in the laws section.)
  - Insert a statement such as: "The contractor will forfeit a penalty to the contracting public body of \$100 per day (or portion of a day) for each worker that is paid less than the prevailing rate for any work done under the contract by the contractor or by any subcontractor." (See section 290.250, RSMo, enclosed in the laws section.) For detailed information on rules and occupational titles, see 8 CSR 30-3.010 through 3.060 (enclosed in the laws section, Code of State Regulations-Prevailing Wage rules).
  - Insert a statement such as: "The contractor and all subcontractors to the contract must require all on-site employees to complete the ten-hour safety training program required under Section 292.675, RSMo, (enclosed in the laws section), if they have not previously completed the program and have documentation of having done so."

- Insert a statement such as: "The contractor will forfeit a penalty to the contracting public body of \$2500 plus an additional \$100 for each employee employed by the contractor or subcontractor, for each calendar day, or portion thereof, such employee is employed without the required training." (See section 292.675, RSMo, enclosed in the laws section.)
- Insert a statement such as: "During periods of excessive unemployment (any month immediately following two consecutive calendar months during which the level of unemployment in the state has exceeded five percent as measured by the United States Bureau of Labor Statistics) only Missouri laborers (persons who have resided in Missouri for at least thirty days and intend to become or remain Missouri residents) and laborers from non-restrictive states (persons who are residents of a state which has not enacted state laws restricting Missouri laborers from working on public works projects in that state, as determined by the Labor and Industrial Relations Commission) (see Excessive Unemployment section), may be employed under the contract, except that other laborers may be used when Missouri laborers or laborers from nonrestrictive states are not available, or are incapable of performing the particular type of work involved, if so certified by the contractor and approved by the contracting officer." (See sections 290.550 through 290.580, RSMo, enclosed in the laws section.)
- Insert a statement such as: "Every transient employer, as defined in section 285.230, RSMo, enclosed in the laws section, must post in a prominent and easily accessible place at the work site a clearly legible copy of the following: (1) The notice of registration for employer withholding issued to such transient employer by the director of revenue; (2) Proof of coverage for workers' compensation insurance or self-insurance signed by the transient employer and verified by the department of revenue through the records of the division of workers' compensation; and (3) The notice of registration for unemployment insurance issued to such transient employer by the division of employment security. Any transient employer failing to comply with these requirements shall, under section 285.234, RSMo, enclosed in the laws section, be liable for a penalty of \$500 per day until the notices required by this section are posted as required by that statute." (See list of transient employers, and Missouri Department of Revenue form 3032, enclosed in the forms section.)
- Before any work begins, you must send a "**Prevailing Wage Project Notification – Contractor Information Notification**" - form PW-2 (Enclosed in the Forms section) to the DLS. Send it when the contract is awarded to ensure the DLS receives it timely (see section 290.262.10, RSMo, enclosed in the laws section, and 8 CSR 30-3.010[3], enclosed Code of State Regulations-Prevailing Wage rules).
- Verify if a wage subsidy, bid supplement or rebate was provided, and if so, if it was provided lawfully. The amount and date of such subsidy, supplement or rebate **must** be reported to the public body within 30 days of receipt of payment (see section 290.095, RSMo, enclosed in the laws section).
- Verify that transient or out of state employers file a financial assurance instrument and post in a prominent and easily accessible place at the work site: (1) The notice of registration for employer withholding issued to such transient employer by the director of revenue; (2) Proof of coverage for workers' compensation insurance verified by the department of revenue; and (3) The notice of registration for unemployment insurance issued to such transient employer by the division of employment security. Any transient employer failing to comply shall be liable for a penalty of \$500 per day until the required

notices are posted. Transient employers that fail to conclusively show that they have filed the required financial assurances must, before starting performance of any contract with a political subdivision, provide an amount equal to a portion of its labor costs to be held in escrow by the political subdivision. Failure of a political subdivision to properly escrow these funds will make it ineligible to receive state funds for public works projects for a period of one year (see sections 285.230 through 285.234, RSMo, enclosed in the laws section).

- Verify that any and all foreign corporations transacting business on your project have obtained a "Certificate of Authority" form - Corp-42 from the Missouri Secretary of State (enclosed in the forms section). Every foreign corporation now doing business in or which may hereafter do business in this state without a certificate of authority shall be subject to a fine of not less than \$1,000 (see sections 351.572 and 351.574, RSMo, enclosed in the laws section).
- Verify that no business entity or employer involved with your project employs an unauthorized alien to perform work within the state of Missouri. As a condition for the award of any contract or grant in excess of \$5,000 the business entity shall, by sworn affidavit and provision of documentation, affirm its enrollment and participation in a federal work authorization program with respect to the employees working in connection with the contracted services (see section 285.530 RSMo, enclosed in the laws section). Failure to comply may cause a public body to be ineligible for any moneys provided through grants administered by any state agency (see sections 67.307 and 285.550, RSMo, enclosed in the laws section).

## II **While Contract Is Being Performed**

- If you are aware of any possible prevailing wage violation, you must report it to the DLS using the "**Prevailing Wage Complaint form**" - PW-6 (enclosed in the forms section). The DLS will assist you and your staff with complying with the law. A public body cannot make final payment until the law is complied with.
- A legible list of all prevailing wage rates **must remain** posted in a prominent and easily accessible place at the worksite by each contractor and subcontractor on the project. **Require** the notice to be posted during the full time that any worker is employed on the job (see section 290.265, RSMo, enclosed in the laws section).
- Review records of wages paid to all workers employed on the contract to assure workers are paid properly (see section 290.290, RSMo, enclosed in the laws section). Records must be kept within the state by the contractor and each subcontractor for a period of one year following completion of the public works project. DLS provides a Contractor Payroll Records form (LS-57 form) for contractors and subcontractors to use to assure provision of the payroll information required (see 8 CSR 30-3.010[7], enclosed Code of State Regulations- Prevailing Wage rules).
- Monitor any workers classified as independent contractors and issued 1099 tax forms. It is against the law for an employer to knowingly misclassify a worker or fail to claim the worker as an employee (see section 285.503, RSMo, enclosed in the laws section). The Attorney General may seek an injunction prohibiting the employer from engaging in such conduct. If the misclassification is occurring on a public works project, such an injunction could stop the project (see section 285.512, RSMo, enclosed in the laws section). Report misclassified workers with the "**Report Worker Misclassification/1099 Abuse**" form MODES-4610 (enclosed in the forms section).

### **III** **Before Contract Is Fully Paid**

- Before final payment can be made, the general contractor and all subcontractors **must** file an "**Affidavit of Compliance**" form - PW-4 (enclosed in forms section) with the contracting public body. The affidavit must state the party has fully complied with Missouri Prevailing Wage Law, and the public body must verify that the correct wages were paid. No payment can be legally made by the public body to the contractor(s) until the affidavit is filed in proper form and order with the public body (see section 290.290 and 290.325, RSMo, enclosed in the laws section).
- Withhold and retain any and all amounts due as a result of any violations of the Prevailing Wage Law (see section 290.250, RSMo, enclosed in the laws section).

Failure to comply with the requirements of the Prevailing Wage Law can result in civil action, including an injunction stopping work on a project, and in criminal fines of up to \$500 and up to six months imprisonment for **each day** there is a violation.

The Division of Labor Standards always is available to answer questions and provide assistance with a prevailing wage project. Please contact us anytime at:

Missouri Department of Labor and Industrial Relations  
Division of Labor Standards  
Prevailing Wage Section  
P.O. Box 449  
Jefferson City, MO 65102-0449  
Phone: 573-751-3403 Fax: 573-751-3721  
E-mail: [prevailingwage@labor.mo.gov](mailto:prevailingwage@labor.mo.gov)  
Website: [www.labor.mo.gov/DLS/WageAndHour/PrevailingWage/prevailing\\_wage.asp](http://www.labor.mo.gov/DLS/WageAndHour/PrevailingWage/prevailing_wage.asp)

### **CONTRACTORS CHECK-OFF LIST:**

- Request a copy of the Occupational Title Rule (included in the Laws Section).
- Your bids should be based on the rate for the scope of work defined for each occupational title (classification).
- Incorporate prevailing wages into your bid.
- Pay employees proper wage/fringe rate for type of work performed.
- Submit certified payroll records (see LS-57 in Forms section) to public entity showing all employees' work classifications (occupational title), hours worked and rate of pay.
- Submit Affidavit of Compliance (see PW-4 in Forms section) to public entity at project completion to receive final payment.

### **IMPORTANT INFORMATION**

#### **Prevailing wage rates for a particular county, area or project:**

Because of the changing nature of Prevailing Wage rates, we do not give rates verbally. Public entities should request rates with a request form (PW-3). Contractors should get rates from bid specifications provided by the public entity.

#### **Difference between major repair and maintenance:**

"Major repairs" are subject to the Prevailing Wage Law. Repairs done by overhaul or replacement of major constituent parts that have deteriorated are "major repairs." Any questions regarding major repairs should be addressed to the Division. If the size, type or extent of the existing facility is changed or increased, the work performed is subject to the Prevailing Wage Law. A maintenance project is not subject to the Prevailing Wage Law. Maintenance is recurrent, day-to-day, periodic or scheduled work unless it involves the overhaul or replacement of major constituent parts. If work involves the repair but not the major repair or replacement of existing facilities, and the size, type or extent of the existing facilities is not changed, it is maintenance.

#### **Prevailing wage rate calculation:**

The basic hourly rate and total fringe benefits are added together to reflect the proper hourly rate of pay.

#### **Employees subject to prevailing wage rates:**

Employees performing construction on public works projects are required to receive at least the prevailing rate of pay for the type of work they performed.

This is regardless of their title or salary status. Employees who only perform supervisory tasks are not covered by prevailing wage.

**Differences between apprentices and helpers:**

Helpers usually are untrained or unskilled workers. Apprentices are employees enrolled in a skilled and registered training program. Only apprentices registered with the Federal Bureau of Apprenticeship Training (BAT) are recognized by the Division. The program must be certified by BAT.

**Determining the prevailing wage rates:**

Contractors, public bodies and others submit wage information to the Division. The information includes actual hours worked on commercial or heavy and highway projects. The classifications (Occupational Titles) of workers must be identified. The highest number of hours received for a rate paid is the prevailing wage rate (per Individual County).

**FREQUENTLY ASKED QUESTIONS**

**Q. Is there a minimum dollar amount or square footage before a project is considered a public works project?**

A. No, the law has no dollar or size limit or requirement.

**Q. I performed work for a contractor on a particular project. Should I have received prevailing wages for the work performed?**

A. The first step is to identify the project as private or public works. If it was a public works project, and you were an employee of a contractor, you should have received the prevailing wage.

**Q. Does the Division of Labor Standards offer any guidance or information about Prevailing Wage?**

A. Yes, the Division has informational packets that include the Prevailing Wage Law and Regulations, step-by-step procedures to follow, relevant forms and a contractor's report of wages survey form. Most questions are easily answered over the telephone by professional staff. More complex questions may require written correspondence from the individual, as well as from the Division.

We invite all of you with any questions or requests for assistance to contact us at:  
Missouri Department of Labor and  
Industrial Relations  
DIVISION OF LABOR STANDARDS  
Wage and Hour Section  
P.O. Box 449  
Jefferson City, MO 65102-0449  
573-751-3403  
Fax: 573-751-3721  
E-mail: [prevailingwage@labor.mo.gov](mailto:prevailingwage@labor.mo.gov)

**\*\*LABOR STANDARDS HELPFUL HINTS\*\***

- ❖ Review each payroll to determine whether correct wages were paid for the time period prior to submitting an RFF for payment to the contractor.
- ❖ Make sure the correct Federal wage decision and State Wage Order are in the bid packets.
- ❖ Know the difference in Federal and State rules regarding unincorporated owner/operators.
- ❖ Scheduling pre-bid and pre-construction meetings can prevent many problems.
- ❖ If payrolls indicate that wage restitution is necessary, immediately initiate the corrective actions as described in the narrative portion of this chapter.
- ❖ The longer a labor-related problem remains unaddressed, the more difficult it becomes to resolve. The Compliance Team staff offers technical assistance to all parties involved with the various facets of labor standards requirements.

## CHAPTER VII

### PROCUREMENT STANDARDS

#### **Introduction**

When a grantee elects to hire a contractor, whether to administer a program, complete a task or do construction, those contractors must be procured competitively. This section highlights the procurement rules. On May 19, 1995, PL 103-355 replaced 24 CFR 85.36, which had been selected by the CDBG Program for its procurement standards. CDBG has adopted this replacement in its entirety; **EXCEPT the maximum threshold for small purchases shall remain at \$25,000.** Any reference to PL 103-355 herein carries with it this exception. All other aspects of 24 CFR 85 remains in effect.

Communities may use their own procurement procedures, which reflect applicable state and local laws, and regulations **provided** that the procurement conforms to the CDBG specified policy. (The stricter of the two shall apply.) In most cases, the CDBG procurement policy is stricter and the community must follow the procedure outlined for all phases of the CDBG funded project.

If a community does not have a written procurement policy, the CDBG policy must be adopted for all phases of the CDBG funded project. It is recommended that communities adopt procurement policies that satisfy the needs of their particular community when using their own local money. The Missouri Municipal League can assist communities with this task.

*The CDBG grant agreement requires the community to adhere with the CDBG conflict of interest policy. The policy is stated in full in the Program Administration Chapter of this manual. If the community does not have its own conflict of interest policy, one should be adopted that defines conflicts and provides for employee standards of conduct. This policy may be incorporated into the local procurement policy.*

**Competitive bidding** for all purchases of goods and services should be followed whenever possible. Competitive bidding should be fostered in the following ways:

- a. Invitations to bid on specific purchases should be made to all qualified firms
- b. Descriptions of items or services to be purchased in the invitations to bid should be current, clear and accurate and should avoid specific brand requirements, although brand names may be used as an example of functional or quality requirements as long as "an equal" product is stated as allowed
- c. All purchases or procurements of more than \$25,000 must be formally advertised through an appropriate public medium receiving the widest circulation such as local or regional newspapers or internet website if internet access is available area-wide

**Note:** Procurement for professional services need not be formally advertised. However, there must be a competitive procurement process wherein a number of qualified professionals are invited to submit proposals. Solicitation of professional administration services must include all persons on the CDBG Administration List and the Regional Planning Commission located in the project area.

## **Procurement Methods**

PL 103-355 allows four methods of procurement: small purchases, competitive sealed bids, procurement by competitive proposals, and procurement by noncompetitive proposals. Each of these methods is described below. If the community has their own written procurement procedures, the stricter of the two methods (local or State) shall be followed.

*The lowest and best bidder must be selected to provide the required supplies, equipment, or services. The lowest, most responsible and responsive bidder must be selected for construction contracts. The community must fully understand the definition of the terms “lowest and best bidder” and “lowest, most responsible and responsive bidder.” They are often confused and interchanged, but are very different.*

- “Lowest and best” is typically used in non-construction, competitive bidding, such as equipment, professional services, and supplies. An evaluation is completed that weighs the amount of the bid with factors such as ability to perform, timeliness, character and reputation, quality of past performance, compliance with laws, quality and availability, future maintenance and service, and compliance with bid specifications. A community may “score” bidders based on weighting that reflects which criteria is most important to them. An example is included in this chapter. The top-scoring candidate may not necessarily be the lowest bidder. However, communities that select other than the lowest bidder must provide their selection criteria to CDBG. There must be written documentation to support the selection.
- “Lowest, most responsible and responsive” is typically used for competitive construction contracts. **Lowest** refers to bid amount. **Responsive** refers to a valid and correct bid. Examples of responsiveness include bids turned in prior to the deadline, bid forms filled out correctly, bids containing all required information (bonds), etc. A community may discard a non-responsive construction bid. **Responsible** refers to financial standing, skill, facilities, capacity, experience, previous work record, or any default within the last 12-month period. Discarding a construction contractor **solely** based upon the factors of “responsibility” demands much more documentation and requires the written recommendation of the community’s own attorney.

### **1. Small Purchases**

Formal bid solicitation procedures are not required under the Regulation for the purchase of items that cost less than \$25,000. However, three written quotes should be obtained for all purchases in excess of \$250. What is being purchased, either goods or services, should be clearly written. For purchases of less than \$250, the purchasing officer may obtain informal price quotes by telephone or face-to-face inquiry. Price quote must be obtained from at least three qualified vendors. Prices obtained orally should be documented for the files.

### **2. Competitive Sealed Bids**

Competitive Sealed Bids (formal advertising) are used when the goods or services are expected to be over \$25,000 in cost. The invitation shall be publicly advertised for a period NOT less than once a week for three consecutive weeks (21 days) to allow sufficient time prior to the opening of bids. CDBG suggests allowing a period of 7 days between the final advertisement and the designated bid opening. Bids shall be solicited from an adequate number of known suppliers. The invitation, including specifications and attachments, must clearly describe the goods or scope of services required permitting bidders to be responsive to the invitation. All bids must be opened publicly at the time and place stated in the invitation for bids. A firm-fixed

price contract award must be made in writing to the responsive bidder whose bid is lowest, most responsible and responsive. All unsuccessful bidders must be notified in writing.

### 3. Procurement by Competitive Proposals

Procurement by competitive proposals may be used if conditions are not appropriate for the use of formal advertising. This type of procurement is most commonly used for professional services. The only area in which price is not used as a selection factor is in procurement of professional architectural or engineering (A/E) services. A/E firms may also be procured under qualifications for surveying and other services that require an A/E degree. **Price must be a selection factor in the purchase of other types of services, such as easement acquisition, archeological services, legal, etc.** Only fixed price (a specified price to be paid when the items or services are delivered and accepted) or cost-reimbursement (price is usually reimbursed as costs are incurred) may be awarded. When using procurement by competitive proposals, the following requirements apply:

- a. Proposals must be obtained from three or more qualified sources.
- b. A Request for Qualifications/Proposals, which identifies all the factors that will be used to evaluate proposals and qualifications, including the importance that price or cost will play in the selection, must be issued and publicized. A period of at least 7 days to respond to an RFP or RFQ should be allowed.
- c. For administration services, in order to comply with CDBG policy, a copy of the RFP must be made available to the area Regional Planning Commission as well as ALL grant administrators on the most current CDBG Administrators List in addition to all other procurement procedures. Failure to follow required procurement will either disallow the use of CDBG funds to pay for the service, or the process will have to be repeated correctly.
- d. All proposals received must be evaluated. A written method for evaluation, which includes the significant factors used to determine the contract selection award, must be prepared and publicized along with the Request for Proposals. **Contact DED in the event of receiving less than three proposals.**
- e. The award may be made to the respondent whose proposal would be most advantageous to the recipient, considering prices and other factors identified in the Request for Proposals. The basis for selection must be documented in writing for grant files. See the sample ranking form at the end of this chapter. Unsuccessful respondents must be notified promptly in writing.

### 4. Procurement by Noncompetitive Proposals

A noncompetitive proposal is procurement through solicitation of a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate. Circumstances under which a contract may be awarded by noncompetitive proposals are limited to the following: (a) after solicitation from a number of sources, competition is determined inadequate; (b) the items or services required are available only from one source; (c) the State authorizes the noncompetitive method; or (d) a public emergency is such that the urgency will not permit a delay beyond the time needed to employ one of the other methods described above. The mere fact that a contractor is performing other consultant services for the grantee is not in itself an adequate justification for a non-competitive proposal award. **DED must approve the method of procurement prior to contract award where fewer than three qualifications /proposals/bids have been obtained.**

## **Missouri Reciprocity Law**

Missouri State Statute 34.076 says that Missouri communities are legally compelled to award contracts to Missouri bidders when the bid is within the percentage of bid preference established by another state's reciprocity law. This law applies to all bids over \$500.00. Specific inquiries regarding this requirement should be directed to the Missouri Office of Administration, Division of Purchasing, at (573) 751-2387.

## **General Procurement Procedures**

Recipients must maintain records that document the rationale for the method used for procurement, selection of the contract type, contractor selection or rejection, and the basis for the selection including cost or price. In addition, all contracts other than small purchases shall contain provisions, which describe administrative, contractual, or legal remedies when contractors violate contract terms and provide for appropriate damages. The grantee is responsible to solicit for grant administration services. It is a conflict of interest for a grant administrator cannot help the grantee with the procurement of grant administration if they intend to submit a proposal. This includes developing the Request for Proposals and handling the solicitation process. The grant administrator may provide the grantee with the procurement chapter from the CDBG Administration Manual and provides samples included in the procurement chapter. The grant administrator may also suggest that the grantee contact the State CDBG program for technical assistance.

## **Procedures for Professional Services Procurement**

In accordance with CFR, Part 85.36, the procurement standards applicable to all recipients, contractual agreements entered into by the recipients, contractual agreements entered into by the recipient can only be made to responsible firms/individuals that possess the ability to perform successfully under the terms and conditions of the proposed procurement. When a recipient uses the "competitive proposals" method of procurement (used for the procurement of professional services), the requests for proposals or request for qualifications need to identify all evaluation factors and their relative importance. Recipients must have a method for conducting technical evaluations of the proposals or qualifications received and for selecting awardees.

If professional services are to be paid from CDBG funds the grantee is required to use the Request for Proposals Method (RFP) method of solicitation. Price must be a consideration. The State CDBG program requires that the grantee solicit for proposals using the CDBG Administration List provided by our office. If professional services are paid from local funds, the grantee may select the firm of choice adhering to state statutes. Grant recipients must solicit minority and women owned firms.

Professional services in such areas as architectural/engineering, real estate appraisals, audit services, and other similar services fall into this category. The procurement by competitive proposal method is authorized to solicit this type of service. An applicant may, at its option, procure professional services either before the application is prepared or after a grant is awarded. The procurement procedure described in this chapter must be followed if CDBG funds are used for payment of the professional service.

**Please note that CDBG funds cannot be used to pay for services dated prior to the date of the funding approval with the exception of environmental review services which since you have procured correctly can be reimbursed after grant award.**

Also, no bonuses may be awarded with CDBG funds to a firm or individual if a grant is awarded. Some firms may require that services performed in preparation of an application be compensated, and, if so, they must be financed from sources other than CDBG.

Applicants must comply with state law, HB 322 (RSMo 1983, Section 8.285-8.292), in the procurement of architectural, land surveying, or engineering services, unless the city/county has its own procedure. In any event, PL 103-355 must be complied with if CDBG funds are involved in the compensation of such services.

Evaluation factors for professional services should include at a minimum:

1. The firm's past experience with similar CDBG/RD/DNR projects
2. Recipient's familiarity with the firm
3. The firm's availability of staff/capability of staff
4. The firm's technical and financial resources
5. The firm's geographic location
6. The firm's ability to complete projects in a timely manner and within budgetary constraints
7. The firm's integrity and compliance with public policy
8. Cost (NOTE: in the procurement of architectural/engineering (A/E) services, "cost" is not a consideration until after the selection process is completed. Fair and reasonable compensation is then negotiated with the selected firm.)
9. Documentation of compliance with E-Verify requirements

Samples for the various types of request for proposals and request for qualifications are included at the end of this chapter. Keep in mind these are only samples and should be tailored to be applicable for specific projects. ***The activities listed inclusive to grant administration should reflect the activities necessitated by the project scope. The project scope must include the dollar amount of CDBG estimated to be involved in funding the project.*** The evaluation criteria listed above should be included and other factors may be considered if necessary and applicable to the project. There is also a sample rating sheet that the grantee may follow for evaluating proposals and qualifications.

A contract should be entered into which states the terms and conditions for the parties involved. DED suggests using NSPE Agreement #1910-1 "Standard Form of Agreement between Owner and Engineer for Professional Services" or DED's "Model Contract for Administrative Services." Copies of both forms are included in the Contract Management Chapter.

Applicants/grantees that do not follow the proper procedure (as provided herein) will be required to perform the procurement procedure again if the grant is awarded (assuming CDBG funds are used for those services), or these costs may be determined ineligible.

**Maximum Fees:** CDBG funding of costs for professional services will be limited by a schedule based on total construction costs as described below. CDBG funding of construction inspection will be limited to a maximum 75% of engineering design costs. The limits imposed for professional services costs do not preclude a grantee from using local funds to pay a higher amount, if it so desires. DED will pay for only the engineering and inspection costs of its own construction monies.

**Engineering Services:** ASCE Manual No. 45 describes the percentage of construction cost method of compensation. The curves indicated in the ASCE Manual will be used as a guide to the maximum amount of CDBG funds allowable to a grantee. While the State may use this as a method of determining the amount of CDBG funds allowed to a city/county grantee, the grantee may not use these curves as the only basis for determining the compensation of an engineering firm. DED suggests using either a cost plus a fixed fee, with a maximum amount, or a lump sum, as described in the ASCE Manual.

TABLE A (below) indicates the percentage of construction costs for projects of an above-average complexity, which includes water treatment plants, complex bridges, pumping stations, intercepting and relief sewers, sanitary sewer lines under 24 inch diameter, and water distribution lines under 16 inch diameter.

TABLE B (below) indicates the percentage of construction costs for projects of average complexity, which include conventional bridges, roads and streets, storm sewers and drains, sanitary sewers 24 inches and larger diameter, and water distribution lines 16 inches and larger diameter.

<b>NET CONSTRUCTION COST</b>	<b>TABLE A</b>	<b>TABLE B</b>
\$40,000	13.67%	10.27%
50,000	13.22	9.99
60,000	12.76	9.71
70,000	12.43	9.52
80,000	12.10	9.32
90,000	11.87	9.17
100,000	11.63	9.01
150,000	10.44	8.56
200,000	10.25	8.11
250,000	9.85	7.85
300,000	9.45	7.59
350,000	9.18	7.42
400,000	8.91	7.24
450,000	8.72	7.12
500,000	8.52	7.00
550,000	8.38	6.90
600,000	8.24	6.80

Administrative Services: Administrative line items include all publishing fees, construction line items are for construction only; acquisition line items are for purchase price and expenses incidental to transfer of title; asbestos inspection is for actual inspection costs. Grantees should not contract for the total administration amount unless the grantee has agreed to pay for all other items. If a cultural resource survey is required to clear environmental issues, the recipient should obtain three quotations and submit to DED through the amendment process as described in the Financial Section. Also, after 1990, engineering firms or any principal or employee thereof cannot perform both engineering and administration, regardless of the source of payment.

Sample Request for Qualifications/Proposals: If CDBG funds are used for professional services, copies of the RFQ must be sent to those minority-owned and female-owned firms in close proximity to the community and the company awarded any contract must be in compliance with E-Verify requirements.

The Request for Proposals (RFP) must be made available to the area Regional Planning Commission as well as ALL grant administrators on the CDBG Administrators list.

Failure to follow required procurement process will either disallow the use of CDBG funds to pay for the service or the process will have to be repeated correctly.

## **Procedures for Construction Procurement**

All construction procurements should follow the competitive sealed bid (formal advertisement) procurement method. A number of firms are generally able to supply these services. To facilitate competitive bidding, a list of prospective contractors for each type of activity should be assembled. The list should include reputable firms or persons who have a good performance record, including minority and project area contractors. Prospective contractors from the appropriate category should be invited to bid.

### *Bonding and Insurance*

PL 103-355 specifies bonding and insurance requirements for federally supported activities. In carrying out CDBG activities (except professional services contracts), **CDBG recipients must establish bonding and insurance requirements that ensure completion of CDBG funded construction contracts in the event of contractor or subcontractor default.** Grantees are free to use their requirements relating to bid guarantees, performance bonds, and payment bonds for contracts of \$25,000 or less in value provided a determination has been made by DED that the recipient and grant funds are adequately protected. In the event of surety performing under a takeover agreement, the bonding company must produce evidence of participation in the E-Verify program

For contracts exceeding \$25,000, recipients must require a bid guarantee from each bidder equivalent to 5% of the bid price. This may be secured through a bid bond or a certified check, a performance bond for 100% of the contract price on the part of the contractor to ensure completion of the contract, and a payment bond for 100% of the contract price on the part of the contractor to ensure payment to all persons supplying labor and materials.

An irrevocable letter of credit from a federally insured financial institution may be used for contracts of \$25,000 or less. The irrevocable letter of credit cannot have an expiration date and must remain in effect for the duration of the federally funded project.

Complete files for all procurements and contracts should be maintained to demonstrate compliance with the CDBG procurement requirements and procedures and be available for project monitoring.

DED, HUD, and the Department of Labor maintain a list of excluded bidders. Recipients are required to contact DED to ensure that prospective contractors are eligible. (See the Labor Standards Chapter.)

1. Determine that the Request for Release of Funds for the activity or project related to the proposed construction contract has been approved by DED. (See the Environmental Review Chapter.)
2. Prepare the specifications. CDBG bid terms and conditions and contractor certifications are to be included in all bid documents and construction contracts. Please refer to the Contract Management Chapter of this Manual.
3. Secure applicable Davis-Bacon wage rate decisions from DED, as discussed in the Labor Standards Chapter. Review wage decisions from DED to determine if any additional classifications are necessary. Contact DED 10 days prior to bid opening to verify that the Federal wage decision has not been changed. If changes have been made, send them as an addendum to all contractors who received the bid package.
4. Include the correct goals of the Federal Equal Opportunity Construction Contract Specifications for minorities and females in the bid document and contracts. These requirements are governed by the *Federal Register* regulations of October 29, 1978 and September 7, 1979. The goal for female participation is 6.9 percent. Minority participation goals are detailed in the September 7, 1979 regulations. These goals are applicable to all projects of the contractor, not just the project(s) funded in whole or in part by CDBG funds. Therefore, each construction craft and trade in the

contractor's work force, which is required in an area covered by the goals and timetables, falls under these provisions. Recipients must ensure that bid documents incorporate these goals.

5. Include all items listed in the Contract Management Chapter in all specifications for bidding and contracting.
6. Some recipients require their city attorney to review the bid documents according to their own ordinances for liability purposes.
7. **Publish Request for Bids** in a newspaper of general circulation or place advertisement on an area-wide internet website once a week **for three consecutive weeks** (21 days) prior to bid opening. (Grantees using the internet as advertisement must ensure that bidders and the public are aware that the internet publications will be used in lieu of newspaper advertisement) Grantees must directly solicit minority and women-owned firms. A longer advertising period may be necessary for more complex projects to allow bidders more time to prepare their proposals. Retain a newspaper copy and/or affidavit of each advertisement or documentation of the advertisement placed on the internet in the CDBG Contract Management file.
8. Addenda to the bid documents, if any, must be sent to all potential bidders who obtained the original bid documents. Addenda cannot be issued after 72 hours prior to bid opening, or as prescribed by Missouri law. If an addendum is required within 72 hours prior to bid opening, the bid opening date may be extended exactly one week.
9. Maintain a log of bidders who were sent or obtained bid documents. All bids received during the bidding period should be logged with the name of the bidder and the time and date of receipt. No bid may be accepted if it is late.
10. Hold a public meeting to open bids. All bids must be read aloud during this meeting. Minutes of the meeting must be maintained to document the project, the time and date of bid opening, and the bidders and bid amounts in order of opening.
11. Review all bids to determine if they are legally and technically responsive. Bidders must be evaluated as to their ability to perform as previously defined. The contract must be awarded to the **lowest, most responsible and responsive bidder**. If all the bids exceed the budgeted amount, reevaluate the specifications to determine whether one aspect of the project was inaccurately described. In this situation, it may be necessary to reject all bids.
12. Cost plus a percentage of cost and percentage of construction cost method of contracting are prohibited. **All contract fees shall be based upon a unit price or "cost-plus-fixed-fee."** All contracts must include a total dollar amount.
13. The Grantee **MAY NOT NEGOTIATE** with a bidder. The Grantee can either reject all bids or provide needed funds from other sources. Prior to the bid process, the Grantee can take action to help mitigate problems that arise from bids that exceed allowable funds. If the Grantee has reason to believe that available funds will be inadequate for the full scope of proposed work, it can request deductible or add-on alternatives in the bid process. When deductible or add-on alternatives are requested, the bid document must specify the method and order in which alternatives will be applied in determining the low bid. Whenever estimated costs are very close to the amount of available funds or the cost estimates are based on roughly comparable projects, the deductible alternative approach is very useful. It can eliminate the need to respecify the bid package and repeat the entire bid process with unavoidable delays in the project. Do not use deductible alternatives that reduce the original scope of the project that was funded.

14. Once all bids have been received, **references should be checked.** The only way for a community to secure good information about how a person or firm performed similar duties is to call the other cities and counties and ask their opinion.
15. **Prior to awarding the contract,** the Grantee must obtain verification of contractor eligibility from DED. This may be accomplished by telephone or in writing. If telephone verification is obtained, document the date of the call, the person contacted and the highlights of the discussion. Recipients should request a written letter confirming eligibility from DED. **In addition, verify that the contractor is registered with the Secretary of State and has a valid certificate to do business in the State of Missouri. You must also check with DED to ensure that the bonding company that the contractor is using to provide the payment and performance bonds is on the Department of the Treasury's Listing of Approved Sureties. It is vital that you furnish the correct spelling and the exact name of the firm(s) for all of the above.**
16. Award the contract. The contract must be awarded to the lowest, most responsible and responsive bidder. If the contract is awarded to other than the lowest bidder, a written statement documenting valid reasons why the lowest bidder(s) was not selected must be prepared and submitted to DED for approval prior to contract award. Ensure that all compliance provisions and environmental clearances have been met before awarding the contract.
17. Send a Start of Construction Notice to DED within ten (10) days of the contract award. This notice is included in the Labor Standards Chapter.
18. A pre-construction conference must be held to acquaint the contractor with Federal and Missouri requirements such as the Labor Standards Provisions, Equal Employment Opportunity Requirements, and Section 3. Requirements for weekly wage records and employee interviews should be specifically addressed at this conference. It is also appropriate to brief the contractor on how payments will be processed, what forms are to be used, and how the CDBG office will monitor financial, program, and contract compliance. The recipient may want to use this meeting, or a similar one, to review contractor record-keeping and accounting systems to ensure that the contractor can control and account for CDBG funds, property, and other assets. A pre-construction conference report should be prepared to document the subject(s) discussed at the meeting and placed in the Contract Management file.
19. Send a Notice to Proceed to the contractor. This document officially notifies the contractor that construction may begin.
20. **A copy of the Certificate of Completed Work must be obtained from the project engineer to ensure completion of the project. This certificate must cover all work included in the project, including other funding agencies and grantee's cash and in-kind. Ten percent of the construction inspection funds will be withheld until a Certificate of Completion has been issued.**

## **SAMPLE REQUEST FOR PROPOSALS**

### **ENVIRONMENTAL REVIEW REPORT GENERATION**

The City/County of () requests proposals for professional services to assist with a proposed project financed in part with Community Development Block Grant funding. Specifically the city/county is requesting proposals for preparation of an environmental review report in conformance with CDBG requirements.

The proposed project consists of replacing 1,500 LF of sewer line with 6" PVC. The remaining 1,500 LF will be repaired/rehabilitated by lining the pipe to prevent I & I. The city/county will eliminate its discharge point altogether and go with a Land Application treatment system. This will allow the community to keep its lagoon, but a lift station will be installed to transport partially treated wastewater to a spray field. The city/county proposes to acquire the land for the spray field through this grant, and will demolish an old out-building that currently exists on the property. The total project is estimated to cost \$1,600,000. The city/county is seeking \$500,000 in Funding from the CDBG funds and the remainder will be funded through Rural Development and local funds.

Environmental review report generation shall include, but is not limited to: notification of proposed project to all required state and federal agencies and tribal organizations; evaluation of project impact; preparation and submission of environmental review report in compliance with CDBG report requirements; and preparation of the Finding of No Significant Impact (FONSI) and other required publications.

Information provided to the city/county shall include:

- a. The specialized experience and technical competence of the firm with respect to environmental review services and related work
- b. The capacity and capability of the firm to perform the work in question, beginning June 30, 2012
- c. The past record of performance of the firm with respect to such factors as control of costs, quality of work and ability to meet schedules
- d. The firm's proximity to and familiarity with the area in which the project is located;
- e. Scope of services
- f. Cost of services
- g. References from all previous clients of related work with the firm within the past five years.  
(a) (b) (c) (d) and (f) above shall have priority weighting in final selection.

The city/county may elect to award or not award the proposed services to the successful respondent. The information must be submitted no later than (TIME), (DATE) to the City/County of XXXXX, (named location & address). For more information, please contact the city/county at (PHONE NUMBER). The City/County of () is an Equal Opportunity Employer and invites the submission of qualifications from minority and women-owned firms.

**SAMPLE**  
**REQUEST FOR QUALIFICATIONS**  
**PROFESSIONAL ENGINEERING SERVICES**

The City/County of () requests qualifications for engineering services to assist in a proposed CDBG project financed in part with Community Development Block Grant (CDBG) funds. Other funding sources may involve USDA/RD or DNR. The city/county intends to provide improvements to its municipal water distribution system. The proposed improvements include the replacement of water lines in the southern portion of the city/county, construction of a new water tower to be located one mile south of the junction of highway 50 on JJ, and the reconstruction of asphalt roadway that may be disturbed during construction.

Information provided to the city/county must include at a minimum:

1. The specialized experience and technical competence of the firm with respect to water system improvements or related work
2. The capacity and capability of the firm to perform the work in question, including specialized services, within a period of twelve months, beginning (DATE)
3. The past record of performance of the firm with respect to such factors as control of costs, qualify of work, and ability to meet schedules
4. The firm's proximity to and familiarity with the area in which the project is located
5. References from all previous clients involved with the firm within the past five years. Ability to begin work immediately and guarantee submittal to DNR within twelve months plus (3) above shall receive primary consideration.
6. Reference and experience of previous work on CDBG/RD/DNR grant projects
7. Documentation of compliance with E-Verify requirements

This information must be submitted no later than (DATE), (TIME), at (named location& address). For more information, please contact city clerk/county clerk at (PHONE NUMBER).

The City/County of () is an Equal Opportunity Employer and invites the submission of qualifications from minority and women-owned firms.

**SAMPLE**  
**REQUEST FOR PROPOSALS**  
**PROFESSIONAL ADMINISTRATION SERVICES**

The City/County of () requests proposals for administrative services to assist in a proposed project financed with \$250,000 in Community Development Block Grant (CDBG) funds. The city's/county's \$300,000 bond issue is financing the remainder of the project. The project consists of replacement of 4,500 l.f. of 6" municipal water distribution lines in the southern portion of the city/county, construction of a 150,000 gallon elevated storage tank to be located one mile south of the junction of highway 50 on JJ, and the reconstruction of asphalt roadway that may be disturbed during construction.

Administration services shall include, but are not limited to, the implementation of the project in conformance with the following CDBG compliance area: environmental review, financial management, procurement, labor standards, equal opportunity/civil rights, citizen participation, acquisition/relocation, and close-out.

Information provided to the city shall include at a minimum:

1. The specialized experience and technical competence of the firm with respect to CDBG grant administration and related work on jointly funded projects with RD and DNR
2. The past record of performance of the firm with respect to such factors as accessibility to clients, quality of work, and ability to meet schedules
3. The firm's proximity to and familiarity with the area in which the project is located
4. The capability of carrying out all aspects of grant related activities
5. Cost of services
6. References from previous clients of related work with the firm within the past five years
7. Documentation of compliance with E-Verify requirements

1, 2, 3 and 5 above shall receive priority weighting in the final selection.

The above information should be submitted no later than (DATE), (TIME), (named location & address). For more information contact city clerk/county clerk at (PHONE NUMBER).

The City/County of () is an Equal Opportunity Employer and invites the submission of proposals from minority and women-owned firms.

**\*If the Grantee is procuring for Environmental Services separately the RFP for Administrative services should reflect that these services will not be part of the administrative contract**

**SAMPLE FOR COMBINED PRESELECTION  
REQUEST FOR PROPOSALS  
PROFESSIONAL GRANT WRITING AND ADMINISTRATION SERVICES**

The City/County of () requests proposals for preparation of a grant application and subsequent administration services to assist in a proposed project to be partially financed with Community Development Block Grant (CDBG) funds projected to be \$250,000. The remainder of the project is being financed by the city's/county's \$300,000 bond issue. The project consists of municipal water system improvements.

Grant application preparation shall include, but is not limited to, preparation and submittal of all completed grant forms by the appropriate deadline, LMI determination, coordination with preliminary engineering report, etc.

Administration services shall include, but are not limited to, the implementation of the project in conformance with the following CDBG compliance areas: environmental review, financial management, procurement, contract management, labor standards, equal opportunity/civil rights, citizen participation, acquisition/relocation, and close-out.

Information provided to the city/county shall include:

1. The specialized experience and technical competence of the firm with respect to CDBG grant preparation and administration and related work on jointly funded projects with RD and DNR funds
  2. The past record of performance of the firm with respect to such factors as accessibility to clients, quality of work, and ability to meet schedules
  3. The firm's proximity to and familiarity with the area in which the project is located
  4. Capability of carrying out all aspects of grant related activities
  5. Cost of services (clearly separate the cost associated with grant preparation and administration services)
  6. References from previous clients of related work with the firm within the past five years
  7. Documentation of compliance with E-Verify requirements
- 1, 2, 3 and 5 above shall receive priority weighting in final selection

The above information should be submitted no later than (DATE), (TIME), (named location & address). For more information contact city clerk/county clerk at (PHONE NUMBER).

The City/County of () is an Equal Opportunity Employer and invites the submission of proposals from minority and women-owned firms.

**SAMPLE FOR COMBINED PRESELECTION**  
**REQUEST FOR QUALIFICATIONS**  
**PROFESSIONAL ENGINEERING SERVICES:**  
**PRELIMINARY ENGINEERING, DESIGN, AND INSPECTION SERVICES**

The City/County of () requests qualifications for preliminary engineering services, subsequent engineering design services, and construction inspection services, to assist in a proposed public facilities project to be partially financed with Community Development Block Grant (CDBG) funds. The remainder of the project is being financed by the city's/county's \$300,000 bond issue. The project consists of municipal water system improvements.

Information provided to the city/county must include at a minimum:

1. The specialized experience and technical competence of the firm with respect to water system improvements or related work
2. The capacity and capability of the firm to perform the work in question, including specialized services, within a period of twelve months beginning \_\_\_\_\_ (*example: June 1, 2012*)
3. The past record of performance of the firm with respect to such factors as control of costs, quality of work, and ability to meet schedules
4. The firm's proximity to and familiarity with the area in which the project is located
5. References from previous clients of related work with the firm within the past five years
6. References and experience on jointly funded CDBG/RD/DNR grant projects
7. Documentation of compliance with E-Verify requirements

The firm will be selected based on the above qualifications. Once the most qualified firm is selected, a cost for preliminary engineering will be negotiated separately from the cost for engineering design. Contracting for these two activities shall occur separately and costs/payments associated with each will be clearly defined. Contracts executed for engineering design and construction inspection services shall be contingent upon the award of the grant and commitment of all project funds.

The ability to begin work immediately and guarantee submittal to DNR within twelve months plus (3) above shall receive primary consideration.

The above information should be submitted no later than (DATE), (TIME), (named location & address). For more information, contact city clerk/county clerk at (PHONE NUMBER).

The City/County of () is an Equal Opportunity Employer and invites the submission of proposals from minority and women-owned firms.

## COUNTY PROCUREMENT AND CONFLICT OF INTEREST POLICY

**BE IT RESOLVED:** that the County of \_\_\_\_\_ hereby notifies the Department of Economic Development that its procurement is completed in accordance with Chapter 50 of the Missouri Revised Statutes, County Finances, Budget and Retirement Systems, Sections 50.760 to 50.790, including all other applicable sections and applicable waivers that have been established under Section 50.783.

**FURTHER BE IT RESOLVED:** that the County of \_\_\_\_\_ operates in accordance with Chapter 105 of the Missouri Revised Statutes; Public Officers and Employees – Miscellaneous Provisions regarding conflict of interest of any person who is designate as a decision-making public servant.

**SIGNED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 200\_\_\_\_\_**

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Presiding Commissioner

Attest:

---

County Clerk

## SAMPLE

### PROCUREMENT EVALUATION/COST CRITERIA RANKING SYSTEM

1. Determine type of procurement and whether cost is required to be a factor in your selection.
2. Select from the **Category** list, and identify those factors (1-11) you believe to be most important and relevant to this procurement and this project. (You may choose all of them.) Remember that these same factors should be specified in the bid solicitation process so that all potential bidders may construct their bids appropriately.
3. In order to gain a 100-point scale, assign points to the factors (1-11) chosen from the **Category** list. Assign higher points to factors you consider more important. Enter your points in the **Weight** column. Since the procurement standard asks for two categories, lowest (referring to price) and most responsible (referring to desired qualifications), a determination must be made how the weight is distributed. (Typically, the state procurement process assigns 40-50% to the cost.)
4. Upon receipt of the bids, each bidder should be rated (from 1-10 points) in regard to how their bid reflects each factor.
5. When rating the **Cost** factor, award the lowest bidder all 50 points in the **Rating** column. \* Then, award each bidder a relative numerical value from 1-49 points in the **Rating** column consistent with how their costs compare with the lowest.
6. You may tailor factors in the **Category** column as appropriate to both your project and the type of solicitation.
7. Each member of the Commission or Council should complete a rating sheet and the scores tabulated.

CATEGORY	RATING	X	WEIGHT	=TOTAL
1. <b>Project Requirements:</b> (Firm's analysis, preparation, and interest level)	_____	X	_____	= _____
2. <b>Design Approach/Methodology:</b> (Firm or individual's creativity and problem solving abilities)	_____	X	_____	= _____
3. <b>Key Personnel and Roles:</b> (Qualifications and professional skills of key individuals)	_____	X	_____	= _____
4. <b>Previous Experience, Firm:</b> (Related projects and jointly funded grant projects)	_____	X	_____	= _____
5. <b>Previous Experience, Individual:</b> (Related projects of key personnel)	_____	X	_____	= _____
6. <b>Resources and Ability:</b> (Quality and importance/availability of consultant or in-house support services)	_____	X	_____	= _____

7. **Technical Project Management:** \_\_\_\_\_ X \_\_\_\_\_ = \_\_\_\_\_  
(Abilities in technical function, such as project cost controls, construction observation, and time scheduling)
8. **Responsiveness to Owners' Concerns:** \_\_\_\_\_ X \_\_\_\_\_ = \_\_\_\_\_  
(Firm's ability to communicate and form successful working relationships)
9. **Firm/Individual's Proximity to Project:** \_\_\_\_\_ X \_\_\_\_\_ = \_\_\_\_\_  
(The extent to which the physical location of the firm/individual is relevant to the project site)
10. **References/Past performance:** \_\_\_\_\_ X \_\_\_\_\_ = \_\_\_\_\_  
(Firm's past performance, customer satisfaction including quality and timeliness of completed tasks)
11. **Cost:** \_\_\_\_\_ X \_\_\_\_\_ = \_\_\_\_\_  
(Determine bid price submitted)

**GRAND TOTAL** \_\_\_\_\_

### **\*\*PROCUREMENT HELPFUL HINTS\*\***

- ❖ Your efforts at procurement will be rewarded in your budget and project readiness.
- ❖ Regardless of the position of other Federal or state agencies, negotiation with a bidder is not allowed in a CDBG funded project.
- ❖ Bid your project with alternative(s) and/or add-on deductibles (see the Contract Management Chapter) to help ensure adequate funds for the project.
- ❖ Care must be taken not to reduce the scope of the project that was funded with alternatives.
- ❖ Build your preferences into your selection criteria and apply and document them when evaluating the responses received.
- ❖ Do not circumvent the free and open competitive process.
- ❖ Remember, conflict of interest applies in procurement of materials, services, and construction.
- ❖ Make sure your bidder is eligible to work in the State of Missouri, is not on the list of debarred contractors, and can provide 100% payment and performance bonds from a qualified surety.
- ❖ Review all proposals and bids for work content and lump sum dollar amount.

## **CHAPTER VIII**

### **CONTRACT MANAGEMENT**

#### **Introduction**

As stated in the Procurement Chapter, recipients of CDBG funds will procure a vast range of materials and services to successfully complete their project activities. Following proper procurement and selection, each of these services will require the execution of a formal and binding contract. This chapter will suggest avenues that the grantee may employ to successfully manage their contracts.

Since the process of contracting is so closely related to procurement, labor standards, and civil rights, referencing those relevant chapters within this manual may serve to assist the grant administrator. If any material is repeated between two or more chapters, it is done only to add clarity and promote understanding.

#### **Proper Flow of Grant Dollars**

From the CDBG Program perspective, the introduction of contracting starts at the source of the dollars. Every year, the State of Missouri enters into a contractual relationship with the Department of Housing and Urban Development accepting receipt of the Community Development Block Grant funds (as well as the Emergency Shelter Grant, HOME, HOPWA, and McKinney funds). The contract with HUD outlines the necessary compliance measures, eligibility standards, and intended use of the funds. The State is held accountable to the terms described in the contract and the applicable Federal laws.

When the Department of Economic Development awards those same CDBG dollars to the cities and counties, another contract is executed called the “**grant agreement**.” In that contract, DED describes to the community the necessary compliance measures, eligibility standards, etc. that are expected to be fulfilled at the local level in turn for the receipt of the funds. The contract also protects the financial interests of the community. An additional contract, in the form of a participation agreement is executed with economic development projects between the recipient, the company, and DED.

Again in turn, when the community expends the same grant dollars for work done relative to the completion of the project, it is the contract which spells out the acceptable performance measures and standards required for the professional service providers, material suppliers, or construction contractors to receive the funds.

The grantee can start to see the formally obligated path of public dollars and the critical standard at which they are held.

#### **Responsible Parties**

The primary reasoning behind proper contract execution is the protection of the rights of the parties involved. The contract serves as the base document that describes the specific responsibilities of everyone performing a function in the completion of the activity. The description of contract terms range from the scope of services for specifications of construction to the timeliness of payment. The contract maintains an important interest for all parties and should be regarded in that manner.

The grantee must determine who has legal authority to enter into and sign the contract for the community (Mayor/Presiding Commission).

#### **Legal Review**

Many cities and counties employ the services of an attorney to write and review all contractual obligations. The Certificate of Owner’s Attorney may be required by individual grantee ordinance, resolution, or policy. DED will not provide legal advice to a community, but may provide, at the local

request, examples of “standard” contracts and contract language, which may be used in certain situations. These documents are presented only as samples for use by CDBG grantees. **The final decision and responsibility of the terms of the contract lies with the community.**

### **Contract Management**

It is the responsibility of the community (grantee) to manage the contracts executed during a CDBG funded project. Contracts do not manage themselves. It takes substantial time and commitment by a designated member of the community with a good understanding of the project.

Contract management is a large part of any project’s success. It is important that all parties in a contract are held to the roles and responsibilities for which they are receiving payment. Project delays or problems are often the result of misunderstandings, assumptions of the responsibilities of different parties in a contract, or of parties not performing their work to a standard. To correct these problems, the community must make contract language clear and must take the management of the contracts seriously as a working role.

Before you enter into a contract you must ensure that all contracts are written so that they are based on a lump sum or unit price. Please be careful of any hidden or unexpected costs or additional fees that may have been added to the contract. Such fees may include per hour additional fees for surveying, obtaining easements, etc. Often grantees may think these costs are part of the base contract and have not allowed for the additional cost in their budget.

The engineering firm or the administrative firm most often prepares professional service contracts and construction contracts. It is the responsibility of the grantee to read and understand the contract documents. The contract documents should be reviewed to ensure that the expected scope of work and the agreed cost is included.

### **Contract Content**

The CDBG Program does have both contract documents and specific language, which is a standard part of every contract, executed involving CDBG dollars. Please note that while the content is required, the format is not. Many engineering firms and legal firms provide contract language in different formats. Use of these formats is certainly acceptable to CDBG. **The forms provided by CDBG are samples only and are meant to be a guide.** Any document that is signed by the grantee and has legal implications and consequences should be carefully reviewed (by an attorney is encouraged) with respect to its completion. **If a contract is for a project jointly funded by USDA – Rural Development and CDBG, contact your RD office for those contract documents. Additional language is required to comply with both agencies’ requirements.**

To determine which documents are required in which contracts, it is helpful to determine the type of work (professional services versus construction contractors) and the amount of the contract (\$2,000, \$10,000, \$25,000, \$100,000). Thinking in terms of the procurement procedure used to acquire the service will assist the grantee toward proper contract selection and execution

1. **Professional services contracts** shall include the following civil rights laws, regulations, and executive orders:

Title VI of the Civil Rights Act of 1964

Section 3 (applicable over \$100,000)

Section 109, Housing and Community Development Act of 1974

Section 503 of the Rehabilitation Act of 1973

Section 504 of the Rehabilitation Act of 1973

Age Discrimination Act of 1975

Executive Order 11246 (over \$10,000)

Affirmative Action Plan

Affidavit Section 285.530, Revised Statutes of Missouri

**Construction contracts** shall include the following civil rights laws, regulations, and executive orders:

Contractor and subcontractor certifications on Equal Employment Opportunity

Contractor and subcontractor certifications on Section 3

Section 3 Tables A, B, C, and D

Section 3 Plan

Title VI of the Civil Rights Act of 1964

Title VIII of the Civil Rights Act of 1968

Section 3 language (applicable over \$100,000)

Section 109, Housing and Community Development Act of 1974

Section 503 of the Rehabilitation Act of 1973

Section 504 of the Rehabilitation Act of 1973

Age Discrimination Act of 1975

Executive Order 11246 (over \$10,000)

Executive Order 11063

Affirmative Action Goals

Information Regarding the Use of Minority and Women's Business Enterprises

2. Additional content, laws and regulations required for **Construction Contracts**:

Copeland Anti-Kickback Act

Anti-Lobbying (over \$100,000)

Contract Work Hours and Safety Standards Act, if the contract exceeds \$2,000

Davis Bacon Act, if the contract exceeds \$2,000

Missouri Prevailing Wage Law

Architectural barriers

Clean Air and Water Acts, if the contract exceeds \$100,000

Lead-Based Paint Poisoning Prevention Act

Bid Bonds (equal to 5% of bid)

Performance bonds (over \$25,000, equal to 100% of contract price)

Payment bonds (over \$25,000, equal to 100% of contract price)

Federal Labor Standards Provisions (HUD Form 4010)

CDBG General Conditions (or equivalent)

HUD Supplemental Conditions

Certificate of Owner's Attorney

**3. Contents of Bid Packet for Construction Contracts**

Advertisement for Bids form

Information for Bidders

Bid Bond form

Unit Price Bids form

Bidder Qualification

Bidder EEO Certification

Certification of Bidder Regarding Section 3 and Segregated Facilities

Bidder Section 3 Plan Format - Affirmative Action Plan

Proposed Subcontracts Breakdown

Bidder Section 3 estimated new hires

Contractor Section 3 new hires report

Contractor Section 3 business utilization report

Subcontractor EEO Certification

Certification of Proposed Subcontractor Regarding Section 3 and Segregated Facilities

Bonding and Insurance Requirements

Certification Regarding Government Wide Restriction on Lobbying

The executed Contract Agreement form (blank)

Certificate of Owners Attorney

General Conditions and Supplemental General Conditions

Appendix I

Wage Rate Decisions - Missouri and Federal

Specifications/Drawings/Maps/Site locations

Federal Labor Standards Provisions

Attachment to Federal Labor Standards Provisions

Affidavit Section 285.530, Revised Statutes of Missouri

**Additional forms, clauses and references in *any type of contract* should include, but not be limited to:**

Executed Contract Form:	the binding agreement with appropriate signatures of all parties attested and dated.
Certificate of Owner's Attorney:	a record of the local attorney review and acceptance of the terms of the contract.
Or Equal Clause:	language that tells the bidder that any references to brand names are solely for explanation/clarification and that any and all equals are allowed.
Required Levels of Insurance:	information for the bidder listing all necessary types and levels of insurance: worker's compensation, public liability and property damage, vehicle liability, special hazards, builder's risk, etc.
Subcontracting:	a statement of the terms under which any part of the contract may be subcontracted.
Architects/Engineers Authority:	provides information to the contractor that the owner has given the decision-making authority, regarding specifications relative to the contract, to the engineer or architect.
Conflicting Conditions:	provides rules for which condition applies when contract documents are found to have two statements in conflict.
Anti-Lobbying, Over \$100,000:	the form preventing the contracted agent from using any of the CDBG funds to lobby a member of Congress.
Specifications:	the exact detail of the work to be completed.
Period of Service:	the time for which the contract is valid and the date that the work is to be completed.
Scope of Services:	the detailed activities that the contracted agent is expected to perform for payment under the terms of the contract.
Clarification of Specific Milestones:	the date and amount of pay allowed for specific levels of work completed successfully.
Address of The Work Sites:	the exact project site location(s).
Schedule of Payment:	the allowed drawdown of funds to be paid under the contract (often coincides with the milestones).
Applicable Retainage (Usually 10%):	the amount held by the community until the project is 100% complete, used as a control device.

Final Inspection:	the act of the responsible party(ies), usually the engineer, to inspect the work completed and recommend final payment.
Engineer/Consultant's Certification for Acceptance and Final Payment:	To be completed by the project engineer once final inspection of all work under the contract documents has been completed in accordance with the drawings and specification and is functioning properly. Recommendation for final payment.
Termination:	the circumstances under which designated parties may terminate the contract, usually described for cause or convenience.
Changes:	describes the only process or circumstances where changes may be approved by owner and result in payment.
Extras:	describes the only process or circumstances where owner can add extras to work and result in payment without invalidating contract.
Completion Time/Liquidated Damage:	spells out completion date expectations for work and prescribes level of daily monetary penalty to contractor for days beyond prescribed date.
Correction of Work:	provides information to contractor that outlines the correction process and expense if work is found by Engineer or Architect inspection to be deficient.
Personnel:	requires professional service provider or contractor to employ adequate, qualified personnel, licensed to complete work under the terms of the contract.
Assignability:	limits any parties ability to assign the contract to any other person or firm without the prior written consent of all parties to the contract.
Reports and Information:	describes the necessary written reports expected to be furnished by the professional service provider or contractor to the community and the times that such reports are due.
Records and Audits:	requires the maintenance of records (personnel, property, and financial) to ensure proper accounting, and the conditions under which they are to be made available.
Findings Confidential:	requires the permission of the community before any records or reports are provided to any persons not a party to the contract.

Copyright/Patent:	limits copyright and patent activities by the professional service provider or contractor.
Weather Conditions:	describes responsibility of the contractor for protection of work completed from weather damage and the financially responsible party if damage occurs.
Compliance with Local Laws:	spells out to the professional service provider or contractor the necessary compliance with local, state, and Federal laws.
Interest of Parties:	clause defines and prohibits conflicts of interest, financial gain by any party to contract.

#### **Common Rules Regarding Contracting (with CDBG monies)**

1. All services, professional, or construction, paid in whole or in part with CDBG funds, require the **execution of a formal contract**.
2. The use of CDBG dollars, regardless of the amount, for payment of any service under contract in a grant, initiates the contracting requirements described in this chapter. The total amount of the contract will often indicate the proper documentation to be included in the contract.
3. **All contracts** should contain a clear, concise, and detailed description of the:
  - scope of work
  - total cost
  - duration or life of the contract
  - compliance requirements
  - reporting responsibilities
  - contract content paragraphs listed above
4. **All contracts that are found to be incomplete at the time of monitoring may require a contract amendment to correct the deficiency.**
5. All contracts requesting payment for activities not clearly defined in the scope of services may be denied CDBG funding.
6. It is the responsibility of the community to manage all contracts executed for CDBG funded projects.
7. All contracts using CDBG funds for payment must pass a cost reasonableness test.

#### **Acceptable Contract Cost Structures**

All construction contract fees shall be based upon a lump sum or unit price. All professional service contracts shall be based upon a lump sum or a cost-plus-fixed-fee. Cost plus a percentage of cost and percentage of construction cost methods are prohibited.

#### **Alternative Deductibles/Alternate Add-Ons in Construction Bidding**

In an effort to remain flexible in the bidding process for construction activities, the grantee may set in place alternative deductibles or alternate add-ons. These items must be clearly marked as such and, in the event of bids received over budget, may be “deducted” from the scope of the project, or in the

event of bids received under budget, may be “added” to the scope of the project. All alternative deductibles/additions must be assigned a number in order of preference to be eliminated/added. Any elimination/additions of these items must follow that numerical guide (e.g., Item #2 may not be deducted/added prior to Item #1). No items may be eliminated/added from a bid process if they were not initially indicated as an alternative deductible or alternate add-on. Alternate deductibles should include, but not be limited to, items the grantee may be able to complete on its own or items that would not have an adverse affect on the project if omitted.

### **Negotiation**

**Negotiation is not allowed.** A community may not negotiate a lesser price with any bidder in order to match the funds budgeted. This includes negotiating change orders that would be initiated after a contract award.

### **Addendum Procedure**

If the owner or engineer finds that changes or additions to the bid packet must be made prior to the bid deadline date, an addendum must be executed. The addendum must spell out the change or addition and must be distributed to all interested bidders. This action must not take place later than 72 hours prior to the bid submission deadline. If this time period is not possible, the addendum may be distributed and the deadline may be delayed exactly one week. All bidders obtaining bid documents must be made aware of all addenda in order not to interrupt the procurement procedure.

### **Amendment Procedure**

If, during the life or duration of any formal contract, the parties agree to a change in the design, duration, cost, or any of the terms of the contract, a formal amendment may be executed. For this amendment to be valid and recognized by CDBG, it must be in writing, signed, and attested by both parties and attached to all original contract documents. The grantee may require review by their attorney prior to implementing the process. Any changes or change orders that directly affect the use of CDBG dollars, the scope of the project, or greatly changes the duration of the contract should be reviewed with a CDBG Compliance Specialist **prior to execution**.

Reports should be prepared and submitted by each contractor whenever it is determined that any change in the design, cost, or duration of the project is necessary. **Changes in the project which increase the cost of the activity by more than \$10,000 or 10 percent of the approved CDBG budget line amount, whichever is less, must first be approved by DED.**

### **Award of Contract**

Communities should award contracts relevant to CDBG funded projects in the same manner as they would if using local funds. The required process for entering into contracts (which may be set by local ordinance or resolution) should be reviewed and used for CDBG projects. If the community requires attorney review and board approval prior to signing any contract, then that method should be practiced with CDBG projects as well.

### **Federally Debarred Contractors**

Contact CDBG prior to the award of any construction-related contract in order to clear the proposed contractor. Before the grantee can sign a contract with a proposed contractor, the grantee must ensure that the contractor is not on the Federal listing of Contractors Unable to Perform Work Under a Federally Sponsored Project.

## **Contractors Licensed to Do Business in Missouri**

All professional service contracts and construction contracts paid for with CDBG funds must use firms/businesses that are licensed to operate in the State of Missouri. No grant funds will be released to pay businesses that do not hold this license.

## **Businesses in Good Standing with the Secretary of State**

All licensed businesses must be in good standing with the Secretary of State's office if they are to be paid with CDBG funds.

## **Department of Treasury's Listing of Approved Sureties**

The bonding company used by the contractor to provide payment and performance bonds must be listed with the Department of the Treasury's Listing of Approved Sureties.

## **Internal Control**

Proper internal control for each contractor may include a contract file that includes the following:

- a signed contract and amendments or change orders
- a schedule of payments supported by:
  - copies of time sheets or payroll records
  - copies of checks or transfer notifications
  - copies of invoices
- all project-related correspondence
- property records (where appropriate)
- any notice of cancellation, termination, or suspension of the contract
- all field inspection reports and employee interviews
- other data as required by the recipient to properly administer the contract

## **Engineer/Consultant's Certificate of Completed Work**

A copy of the Certificate for Acceptance, and Final Payment, signed by the project engineer/consultant, must be submitted to DED prior to project closeout. This certificate must cover all work included in the project (regardless of funding source), including grantee cash and in-kind. The certificate must state that work has been completed in accordance with drawings and specifications and is functioning properly with the recommendation for Final Payment.

## SAMPLE AGREEMENT BETWEEN GRANTEE AND SUBGRANTEE

This Agreement, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between \_\_\_\_\_, hereinafter called the "Grantee," and \_\_\_\_\_, hereinafter called the "Sub-grantee."

Whereas, the Grantee received a Community Development Block Grant from the State of Missouri, Project No. \_\_\_\_\_, and it is the Grantee's desire to relinquish certain responsibilities as allowed by the program and the State statutes;

Whereas, the Sub-grantee will benefit from the grant proceeds and finds it in the best interest of both parties to assume these responsibilities;

Now, therefore, the parties hereto agree as follows:

1. The Sub-grantee shall assume all grant responsibilities listed on the Grantee's Grant Agreement, dated \_\_\_\_\_, 20\_\_\_\_, and attached hereto, with the exception of (8), (14), (15), (16), which both parties understand cannot be assumed by the Sub-grantee;
2. In addition to the above, the Grantee agrees to retain all financial responsibilities of the grant program, with the understanding that all invoices (financial indebtedness) must be paid through the Grantee's established method;
3. Responsibilities not listed on the attached Grant Agreement, but which the Sub-grantee agrees to carry out on behalf of the Grantee, are as follows:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The Grantee also acknowledges, as part of this Agreement, that liability for the grant is wholly within its realm and the Sub-grantee hereby assumes responsibility to see that all terms listed herein are met, with the above exceptions. This Agreement shall be valid until successful project completion and grant close-out.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year indicated above.

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Grantee

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Sub-grantee

Attest: \_\_\_\_\_ Attest: \_\_\_\_\_

Attachment.

## **INTERGOVERNMENTAL AGREEMENT**

### **SAMPLE AGREEMENT BETWEEN 2 (OR MORE) UNITS OF GOVERNMENT**

This Agreement, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between local jurisdictions of \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_.

Whereas, the proposed project construction or majority of beneficiaries lies within the legal jurisdiction of \_\_\_\_\_ the lead applicant shall be so named;

Whereas, all parties to this Agreement share in common the community development need of \_\_\_\_\_ and such need, when met, shall offer a higher quality of life for all citizens in each party's jurisdiction;

Whereas, all parties understand and comply with the CDBG application requirements as they relate to the lead applicant and as parties to a multijurisdictional project, including, but not limited to:

Now, therefore, the parties hereto agree as follows:

1. The lead applicant, \_\_\_\_\_, shall assume all grant responsibilities listed on the Grantee's Grant Agreement;
2. The lead applicant shall retain all financial responsibilities of the grant program, with the understanding that all invoices(financial, indebtedness) must be paid through the Grantee's established method;
3. Responsibilities that parties agree to carry out on behalf of the lead applicant are as follows:

Jurisdiction: \_\_\_\_\_ Duties: \_\_\_\_\_

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The lead applicant also acknowledges, as part of this Agreement, that liability for the grant is wholly within its realm and the additional parties (jurisdictions) hereby assume responsibility for all terms listed herein, with any exceptions listed above. This Agreement shall be valid until successful completion and grant close-out.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, as of the day and year indicated above.

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Lead applicant jurisdiction

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Additional jurisdiction

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Additional jurisdiction

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Additional Jurisdiction

## **PROFESSIONAL SERVICE CONTRACT CONTENT CHECKLIST (ENGINEERING/ADMINISTRATION/OTHER PROFESSIONAL SERVICES)**

- Name of firm
- Date executed
- Signed original (by all parties)
- Termination Clause
- Lump Sum payment
- Scope of Service
- Executive Order 11246 (over \$10,000)
- Title VI of the Civil Rights Act of 1964
- Section 109 of the Housing and Community Development Act of 1974
- Section 3 (applicable over \$100,000)
- Section 503 of the Rehabilitation Act of 1973
- Affirmative Action Plan
- Section 504 of the Rehabilitation Act of 1973
- Age Discrimination Act of 1975
- Affidavit (Authorized Employees Section 285.530, RSMo)
- Anti-Lobbying (applicable over \$100,000)

## **CONSTRUCTION CONTRACT CONTENT CHECKLIST**

- Name of Firm
- Date Executed
- Unit Price Bid
- Signed original (by all parties)
- Contractor certifications on Equal Employment Opportunity
- Subcontractor certifications on Equal Employment Opportunity
- Contractor certifications on Section 3
- Subcontractor certifications on Section 3
- Section 3 Tables A, B, C, and D
- Section 3 plan
- Title VI of the Civil Rights Act of 1964
- Title VIII, Civil Rights Act of 1968
- Section 3 language (applicable over \$100,000)
- Section 109, Housing and Community Development Act of 1974

- Section 503 of Rehabilitation Act of 1975
- Section 504 (found in Appendix I)
- Executive Order 11246 (over \$10,000)
- Executive Order 11063
- Affirmative Action Goals
- Information Regarding the Use of Minority and Women's Business Enterprises
- Anti-Lobbying (over \$100,000)
- Contract Work Hours and Safety Standards Act, if the contract exceeds \$100,000
- Davis Bacon Act and related acts, if the contract exceeds \$2,000
- Missouri Prevailing Wage Law
- Wage Rate Decision (Federal)
- Wage Rate Decision (State)
- Architectural barriers
- Clean Air and Water Acts, if the contract exceeds \$100,000
- Lead Based Paint Poisoning Prevention Act
- Bid Bond (equal to 5% of bid)
- Performance bonds (over \$100,000, equal to 100% of contract price)
- Payment bonds (over \$100,000, equal to 100% of contract price)
- Federal Labor Standards Provisions (HUD Form 4010)
- CDBG General Conditions (or equivalent)
- HUD Supplemental Conditions
- Certificate of Owner's Attorney
- Affidavit (Authorized Employees Section 285.530, RSMo)

## **STANDARD FORM OF AGREEMENT BETWEEN OWNER & CONSULTANT FOR PROFESSIONAL ADMINISTRATIVE SERVICES**

This is an agreement made as of \_\_\_\_\_ 20\_\_\_\_, between \_\_\_\_\_ (owner) and \_\_\_\_\_ (consultant). The owner intends to perform a community development project, and the owner and consultant in consideration of their mutual covenants herein agree in respect of the performance of professional administrative services by consultant and the payment for those services by owner as set forth below. Consultant shall provide professional administrative services for owner in all phases of the project to which this agreement applies, serve as the owner's representative for the project as set forth below, and shall provide professional consultation of services hereunder.

### **Section 1 – Basic Services for Consultant**

The consultant shall perform professional administrative services as hereinafter stated that include the administration of the owner's Community Development Block Grant Program,

Project # \_\_\_\_\_. The specific services of the consultant are indicated in Exhibit A, "Scope of Services."

### **Section 2 – Owner's Responsibilities**

The owner shall:

- 2.1 Provide all criteria and full information as to owner's requirements for the project, and furnish copies of all documents related to the project.
- 2.2 Assist consultant by placing at his/her disposal all available information pertinent to the project, including previous reports and any other data relative to the project.
- 2.3 Give prompt written notice to consultant whenever owner observes or otherwise becomes aware of any development that affects the scope of timing of the consultant's services.
- 2.4 Bear all costs incidental to compliance with the requirements of Section 2.

### **Section 3 – Period of Service**

- 3.1 The provisions of this Section 3 and the rates of compensation for the consultant's services provided for elsewhere in this Agreement have been agreed to in anticipation of the orderly and continuous progress of the project through completion.
- 3.2 The consultant agrees to complete the project by the ending date identified in the owner's "Grant Agreement" with the Missouri Department of Economic Development for the Community Development Block Grant Program from which part of the project has been financed.
- 3.3 If the owner has requested significant modifications or changes in the extent of the project, the time of performance of consultant's services and his/her rates of compensation shall be adjusted appropriately.

### **Section 4 – Payments to Consultant**

- 4.1 The maximum amount the owner shall pay the consultant for performance of this agreement shall not exceed \$ \_\_\_\_\_. Compensation will be based on a time, expenses, materials, overhead, and fixed fee (if consultant is a for-profit entity) basis documented in a manner acceptable by the owner.
- 4.2 Consultant may submit a statement for 25% of services and expenses incurred when removal of grant conditions has been issued; 50% upon approval of first contractor's payroll; 75% upon 50%

of construction draw; 90% prior to final paperwork and 100% after completion of all final paperwork.

## **Section 5 – General Considerations**

- 5.1 The obligation to provide further services under this Agreement may be terminated by either party upon ten (10) days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party.
- 5.2 The consultant shall comply with all applicable rules, regulations, laws, and requirements in relation to the Community Development Block Grant Program as distributed by the Missouri Department of Economic Development.
- 5.3 The owner and consultant each binds himself/herself and his/her partners, successors, executors, administrators, assigns, and legal representatives to the other party to this Agreement and to the partners, successors, executors, administrators, assigns, and legal representatives of such other party, in respect to all covenants, agreements, and obligations to this agreement.
- 5.4 Neither owner nor consultant shall assign, sublet, or transfer any rights under or interest in (including, but without limitation, monies that may become due or monies that are due) this Agreement without the written consent of the other, except as stated in paragraph 5.3 and except to the extent that the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to or assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent consultant from employing such independent consultants, associates, and subcontractors as he/she may deem appropriate to assist him/her in the performance of service hereunder.

## **Section 6 – Special Provisions and Exhibits**

- 6.1 The following exhibits are attached to and made a part of this Agreement.
  - 6.1.1 Exhibit A, “Scope of Services,” consisting of \_\_\_\_\_ pages.
  - 6.1.2 Part II, “Terms and Conditions,” consisting of \_\_\_\_\_ pages.
- 6.2 This Agreement (consisting of pages 1 to \_\_\_\_\_, inclusive), together with the exhibits identified above, constitute the entire agreement between the owner and consultant and supersede all prior written or oral understandings. This agreement and said exhibits may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

In witness whereof, the parties hereto have made and executed this Agreement as of the day and year first above written.

Owner:

Consultant:

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## **PROFESSIONAL SERVICES AGREEMENT (CONTINUED)**

### **EXHIBIT A – SCOPE OF SERVICE**

#### **Complete this page in detail**

The consultant shall complete, in a professional and timely manner, the following services relative to the owner's Community Development Block Grant Program. Such actions shall be performed in a manner prescribed by the Missouri Department of Economic Development.

(**Note:** Delete inapplicable phrases and initial.)

1. Financial Management (accounting, file maintenance, cost documentation, Part 85/A-87 conformance, RFF preparation and related matters)
2. Environmental Review – including publications and related costs; Assessment; SHPO; Completion of whole Environmental Review Record; Designation as Environmental Review Officer
3. Labor Standards Compliance – including wage rates requests for bidders; review of weekly payrolls; wage restitution, if necessary; Employee interviews
4. Civil Rights Compliance – including language in contracts; Fair housing activities; Publication costs; material costs; Analysis of Impediments activities
5. Public Participation Requirements (owner to pay for public notices)
6. Preparation of contract documents, except for engineering specifications
7. Administer procedures required by the "Uniform Act" in relation to the acquisition of property, including specific tasks related to easements
8. Completion of close-out forms and required performance reports

## **PROFESSIONAL SERVICES AGREEMENT (CONTINUED)**

### **CONTRACT FOR PROFESSIONAL SERVICES ADDITIONAL TERMS AND CONDITIONS**

1. **Termination of Contract for Cause.** If, through any cause, the Consultant shall fail to fulfill in a timely and proper manner his obligations under this Contract, or if the Consultant shall violate any of the covenants, agreements, or stipulations of this Contract, the Owner shall thereupon have the right to terminate this contract by giving written notice to the Consultant of such termination and specifying the effective date thereof, at least ten (10) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the Consultant under this Contract shall, at the option of the Owner, become its property and the Consultant shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder.

Notwithstanding the above, the Consultant shall not be relieved of liability to the Owner for damages sustained by the Owner by virtue of any breach of the Contract by the Consultant, and the Owner may withhold any payments to the Consultant for the purpose of set-off until such time as the exact amount of damages due the Owner from the Consultant is determined.

2. **Termination for Convenience of the Owner.** The Owner may terminate this Contract at any time by giving at least ten (10) days notice in writing to the Consultant. If the Contract is terminated by the Owner as provided herein, the Consultant will be paid for the time provided and expenses incurred up to the termination date. If this Contract is terminated due to the fault of the Consultant, Paragraph 1 hereof relative to termination shall apply.
3. **Changes.** The Owner may, from time to time, request changes in the scope of the services of the Consultant to be performed hereunder. Such changes, including any increase or decrease in the amount of the Consultant's compensation, which are mutually agreed upon by and between the Owner and the Consultant, shall be incorporated in written amendments to this Contract.
4. **Personnel.**
  - a. The Consultant represents that he/she has, or will secure at his/her own expense, all personnel required in performing the services under this Contract. Such personnel shall not be employees of or have any contractual relationship with the Owner.
  - b. All of the services required hereunder will be performed by the Consultant or under his/her supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and Local law to perform such services.
  - c. None of the work or services covered by this Contract shall be subcontracted without the prior written approval of the Owner. Any work or services subcontracted hereunder shall be specified by written contract or agreement and shall be subject to each provision of this Contract.
5. **Assignability.** The Consultant shall not assign any interest on this Contract, and shall not transfer any interest in the same (whether by assignment or invitation), without the prior written consent of the Owner thereto. Provided, however, that the claims for money by the Consultant from the Owner under this Contract may be assigned to a bank, trust company, or other financial institution without such approval. Written notice of any such assignment or transfer shall be furnished promptly to the Owner.

6. Reports and Information. The Consultant, at such times and in such forms as the Owner may require, shall furnish the Owner such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Contract, the costs and obligations incurred or to be incurred in connection therewith, and any other matters covered by this Contract.
7. Records and Audits. The Consultant shall maintain accounts and records, including personnel, property, and financial records, adequate to identify and account for all costs pertaining to the Contract and such other records as may be deemed necessary by the Owner to assure proper accounting for all project funds, both Federal and non-Federal shares. These records will be made available for audit purposes to the Owner or any authorized representative, and will be retained for five years after the expiration of this Contract unless permission to destroy them is granted by the Owner.
8. Findings Confidential. All of the reports, information, date, etc. prepared or assembled by the Consultant under this Contract are confidential and the Consultant agrees that they shall not be made available to any individual or organization without the prior written approval of the Owner.
9. Copyright. No report, maps, or other documents produced in whole or in part under this Contract shall be the subject of an application for copyright by or on behalf of the Consultant.
10. Compliance with Local Laws. The Consultant shall comply with all applicable laws, ordinances, and codes of the State and local governments, and the Consultant shall save the Owner harmless with respect to any damages arising from any tort done in performing any of the work embraced by this Contract.
11. Equal Employment Opportunity. During the performance of this Contract, the Consultant agrees as follows:
  - a. The Consultant will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, religion, or sex. The Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, national origin, religion, or sex. Such action shall include, but not be limited to, employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Owner setting forth the provisions of this non-discrimination clause.
  - b. The Consultant will, in all solicitation or advertisements for employees placed by or on behalf of the Consultant, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, national origin, religion, or sex.
  - c. The Consultant will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Contract so that provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.
  - d. The Consultant will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
  - e. The Consultant will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Owner.

and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

- f. In the event of the Consultant's noncompliance with the non-discrimination clauses of this Agreement or with any of such rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part, and the Consultant may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
  - g. The Consultant will include the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204, Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Consultant will take such action with respect to any subcontract or purchase order as the City may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event the Consultant becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Owner, the Consultant may request the United States Government to enter into such litigation to protect the interests of the United States.
12. Civil Rights Act of 1964. Under Title VI of the Civil Rights Act of 1964, no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.
13. Section 109(a) of the Housing and Community Development Act of 1974. No person in the United States shall on the grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975, or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973, shall also apply to any such program or activity.
14. Section 503 of the Rehabilitation Act of 1973, as amended, provides for the nondiscrimination in contractor employment. All recipients of Federal funds must certify to the following through all contracts issued.

#### Affirmative Action for Handicapped Workers

- a. The consultant will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The consultant agrees to take affirmative action to employ, advance in employment, and to otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices, such as employment upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship.
- b. The consultant agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.

- c. In the event of the consultant's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
  - d. The consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, provided by or through the contracting officer. Such notices shall state the consultant's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of the applicants and employees.
  - e. The consultant will notify each labor union or representative of workers, if applicable, with which it has a collective bargaining agreement or other contract understanding that the contractor is bound by terms of Section 503 of the Rehabilitation Act of 1973 and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.
  - f. The consultant will include the provisions of this clause in every subcontract, if applicable, or purchase order of \$2,500 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Act, so that such provisions will be binding upon each subcontractor or vendor. The consultant will take such action with respect to any subcontractor or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.
15. Section 504 of the Rehabilitation Act of 1973, as amended, provides for nondiscrimination of an otherwise qualified individual solely on the basis of his handicap in benefiting from any program or activity receiving Federal financial assistance. All recipients must certify to compliance with all provisions of this Section.
16. Age Discrimination Act of 1975. No person in the United States, on the basis of age, shall be excluded from participation in, be denied benefits of, or be subjected to discrimination under, any program or activity receiving Federal financial assistance.
17. Authorized Employees. Consultant acknowledges that Section 285.530, RSMo, prohibits any business entity or employer from knowingly employing, hiring for employment, or continuing to employ an unauthorized alien to perform work within the State of Missouri. Consultant therefore covenants that is not knowingly in violation of subsection 1 or Section 285.530, RSMo, and that it will not knowingly employ, hire for employment, or continue to employ any unauthorized aliens to perform work on the Project, and that its employees are lawfully to work in the United States.
18. Interest of Members of a City. No member of the governing body of the City and no other officer, employee, or agent of the City, who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Contract, and the Consultant shall take appropriate steps to assure compliance.
19. Interest of Other Local Public Officials. No member of the governing body of the locality and no other public official of such locality, who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Contract, and the Consultant shall take appropriate steps to assure compliance.

20. Interest of Consultant and Employees. The Consultant covenants that he/she presently has no interest and shall not acquire interest, direct or indirect, in the study area or any parcels therein or any other interest which would conflict in any manner or degree with the performance of his/her services hereunder. The Consultant further covenants that in the performance of this Contract, no person having any such interest shall be employed.

STATE OF MISSOURI ) ss  
COUNTY OF \_\_\_\_\_)

**AFFIDAVIT**  
(as required by Section 285.530, Revised Statutes of Missouri)

As used in this Affidavit, the following terms shall have the following meanings:

**EMPLOYEE:** Any person performing work or service of any kind for hire within the State of Missouri.

**FEDERAL WORK AUTHORIZATION PROGRAM:** Any of the electronic verification of work authorization programs operated by the United States Department of Homeland Security or an equivalent federal work authorization program operated by the United States Department of Homeland Security to verify information of newly hired employees, under the Immigration Reform and Control Act of 1986 (IRCA), P.L. 99-603.

**KNOWINGLY:** A person acts knowingly or with knowledge,

- (a) with respect to the person's conduct or to attendant circumstances when the person is aware of the nature of the person's conduct or that those circumstances exist; or
- (b) with respect to a result of the person's conduct when the person is aware that the person's conduct is practically certain to cause that result.

**UNAUTHORIZED ALIEN:** An alien who does not have the legal right or authorization under federal law to work in the United States, as defined in 8 U.S.C. 1324a(h)(3).

BEFORE ME, the undersigned authority, personally appeared \_\_\_\_\_, who, being duly sworn,  
states on his oath or affirmation as follows:

1. My name is \_\_\_\_\_ and I am currently the  
President of \_\_\_\_\_ (hereinafter  
“Contractor”), whose business address is \_\_\_\_\_

“and I am authorized to make this  
Affidavit.

2. I am of sound mind and capable of making this Affidavit and am personally acquainted with  
the facts stated herein.

3. Contractor is enrolled in and participates in a federal work authorization program with  
respect to the employees working in connection with the following services contracted between  
Contractor and \_\_\_\_\_

4. Contractor does not knowingly employ any person who is an unauthorized alien in  
connection with the contracted services set forth above.

5. Attached hereto is documentation affirming Contractor's enrollment and participation in a federal work authorization program with respect to the employees working in connection with the contracted services.

Further, Affiant sayeth not.

---

Affiant

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Commission #

**SAMPLE FOR COMBINED PRE-SELECTION**  
**STANDARD FORM OF AGREEMENT BETWEEN OWNER & CONSULTANT**  
**FOR PROFESSIONAL ADMINISTRATIVE SERVICES**

This is an agreement made as of \_\_\_\_\_ 20\_\_\_\_, between \_\_\_\_\_ (owner) and \_\_\_\_\_ (consultant). The owner intends to perform a community development project, and the owner and consultant in consideration of their mutual covenants herein agree in respect of the performance of professional administrative services by consultant and the payment for those services by owner as set forth below. Consultant shall provide professional grant writing, professional administrative services for owner in all phases of the project to which this agreement applies, serve as the owner's representative for the project as set forth below, and shall provide professional consultation of services hereunder.

**Section 1 – Basic Services for Consultant**

- 1.1 The consultant shall perform professional grant writing services, which includes the writing of the owner's Community Development Block Grant program application. Fees associated with this service are the sole responsibility of the Owner and are not eligible for CDBG payment of reimbursement.
- 1.2 The consultant shall perform professional administrative services as hereinafter stated, which include the administration of the owner's Community Development Block Grant Program, Project # \_\_\_\_\_. The specific services of the consultant are indicated in Exhibit A, "Scope of Services."

**Section 2 – Owner's Responsibilities**

The owner shall:

- 2.1 Provide all criteria and full information as to owner's requirements for the project, and furnish copies of all documents related to the project.
- 2.2 Assist consultant by placing at his/her disposal all available information pertinent to the project, including previous reports and any other data relative to the project.
- 2.3 Give prompt written notice to consultant whenever owner observes or otherwise becomes aware of any development that affects the scope of timing of the consultant's services.
- 2.4 Bear all costs incidental to compliance with the requirements of Section 2.

**Section 3 – Period of Service**

- 3.1 The provisions of this Section 3 and the rates of compensation for the consultant's services provided for elsewhere in this Agreement have been agreed to in anticipation of the orderly and continuous progress of the project through completion.
- 3.2 The consultant agrees to complete the project by the ending date identified in the owner's "Grant Agreement" with the Missouri Department of Economic Development for the Community Development Block Grant Program from which part of the project has been financed.
- 3.3 If the owner has requested significant modifications or changes in the extent of the project, the time of performance of consultant's services and his/her rates of compensation shall be adjusted appropriately.

**Section 4 – Payments to Consultant**

- 4.1 The maximum amount the owner shall pay the consultant for the performance of grant writing shall not exceed \$\_\_\_\_\_.

- 4.2 The maximum amount the owner shall pay the consultant for professional administrative services performed under this agreement shall not exceed \$ \_\_\_\_\_. Compensation will be based on a time, expenses, materials, overhead, and fixed fee. Basis documented in a manner acceptable by the Owner. Full payment of the fees associated with Section 4.2, agreed to by the Owner and Consultant by and through this agreement shall be **contingent upon CDBG funding. In the event that grant funds are not awarded to Owner by the CDBG program, this agreement shall be terminated by Owner.**
- 4.3 Consultant may submit a statement for 25% of services and expenses incurred when removal of grant conditions has been issued; 50% upon approval of first contractor's payroll; 75% upon 50% of construction draw; 90% prior to final paperwork and 100% after completion of all final paperwork.

## Section 5 – General Considerations

- 5.1 The obligation to provide further services under this Agreement may be terminated by either party upon ten days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party.
- 5.2 The consultant shall comply with all applicable rules, regulations, laws, and requirements in relation to the Community Development Block Grant Program as distributed by the Missouri Department of Economic Development.
- 5.3 The owner and consultant each binds himself/herself and his/her partners, successors, executors, administrators, assigns, and legal representatives to the other party to this Agreement and to the partners, successors, executors, administrators, assigns, and legal representatives of such other party, in respect to all covenants, agreements, and obligations to this agreement.
- 5.4 Neither owner nor consultant shall assign, sublet, or transfer any rights under or interest in (including, but without limitation, monies that may become due or monies that are due) this Agreement without the written consent of the other, except as stated in paragraph 5.3 and except to the extent that the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to or assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent consultant from employing such independent consultants, associates, and subcontractors as he may deem appropriate to assist him in the performance of service hereunder.

## Section 6 – Special Provisions and Exhibits

- 6.1 The following exhibits are attached to and made a part of this Agreement.
- 6.1.1 Exhibit A, "Scope of Services," consisting of \_\_\_\_\_ pages.
- 6.1.2 Part II, "Terms and Conditions," consisting of \_\_\_\_\_ pages.
- 6.2 This Agreement (consisting of pages 1 to \_\_\_\_\_, inclusive), together with the exhibits identified above, constitute the entire agreement between the owner and consultant and supersede all prior written or oral understandings. This agreement and said exhibits may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

In witness whereof, the parties hereto have made and executed this Agreement as of the day and year first above written.

Owner:

Consultant:

## **PROFESSIONAL SERVICES AGREEMENT (CONTINUED)**

### **EXHIBIT A – SCOPE OF SERVICE**

#### **Complete this page in detail**

The consultant shall complete, in a professional and timely manner, the following services relative to the owner's Community Development Block Grant Program. Such actions shall be performed in a manner prescribed by the Missouri Department of Economic Development.

(**Note:** Delete inapplicable phrases and initial.)

1. Financial Management (accounting, file maintenance, cost documentation, Part 85/A-87 conformance, RFF preparation and related matters)
2. Environmental Review – including publications and related costs; Assessment; SHPO; Completion of whole Environmental Review Record; Designation as Environmental Review Officer
3. Labor Standards Compliance – including wage rates request for bidders; review of weekly payrolls; wage restitution, if necessary; Employee interviews;
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8. Completion of close-out forms and required performance reports.

## **PROFESSIONAL SERVICES AGREEMENT (CONTINUED)**

### **CONTRACT FOR PROFESSIONAL SERVICES ADDITIONAL TERMS AND CONDITIONS**

1. **Termination of Contract for Cause.** If, through any cause, the Consultant shall fail to fulfill in a timely and proper manner his obligations under this Contract, or if the Consultant shall violate any of the covenants, agreements, or stipulations of this Contract, the Owner shall thereupon have the right to terminate this contract by giving written notice to the Consultant of such termination and specifying the effective date thereof, at least ten (10) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the Consultant under this Contract shall, at the option of the Owner, become its property and the Consultant shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder.

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3. **Changes.** The Owner may, from time to time, request changes in the scope of the services of the Consultant to be performed hereunder. Such changes, including any increase or decrease in the amount of the Consultant's compensation, which are mutually agreed upon by and between the Owner and the Consultant, shall be incorporated in written amendments to this Contract.
4. **Personnel.**
  - a. The Consultant represents that he/she has, or will secure at his/her own expense, all personnel required in performing the services under this Contract. Such personnel shall not be employees of or have any contractual relationship with the City.
  - b. All of the services required hereunder will be performed by the Consultant or under his/her supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and Local law to perform such services.
  - c. None of the work or services covered by this Contract shall be subcontracted without the prior written approval of the Owner. Any work or services subcontracted hereunder shall be specified by written contract or agreement and shall be subject to each provision of this Contract.
5. **Assignability.** The Consultant shall not assign any interest on this Contract, and shall not transfer any interest in the same (whether by assignment or invitation), without the prior written consent of the Owner thereto. Provided, however, that the claims for money by the Consultant from the Owner under this Contract may be assigned to a bank, trust company, or other financial institution without such approval. Written notice of any such assignment or transfer shall be furnished promptly to the Owner.

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and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

- f. In the event of the Consultant's noncompliance with the non-discrimination clauses of this Agreement or with any of such rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part, and the Consultant may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
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16. Age Discrimination Act of 1975. No person in the United States, on the basis of age, shall be excluded from participation in, be denied benefits of, or be subjected to discrimination under, any program or activity receiving Federal financial assistance.
17. Authorized Employees. Consultant acknowledges that Section 285.530, RSMo, prohibits any business entity or employer from knowingly employing, hiring for employment, or continuing to employ an unauthorized alien to perform work within the State of Missouri. Consultant therefore covenants that is not knowingly in violation of subsection 1 or Section 285.530, RSMo, and that it will not knowingly employ, hire for employment, or continue to employ any unauthorized aliens to perform work on the Project, and that its employees are lawfully to work in the United States.
18. Interest of Members of a City. No member of the governing body of the City and no other officer, employee, or agent of the City, who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Contract, and the Consultant shall take appropriate steps to assure compliance.
19. Interest of Other Local Public Officials. No member of the governing body of the locality and no other public official of such locality, who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Contract, and the Consultant shall take appropriate steps to assure compliance.

20. Interest of Consultant and Employees. The Consultant covenants that he/she presently has no interest and shall not acquire interest, direct or indirect, in the study area or any parcels therein or any other interest which would conflict in any manner or degree with the performance of his services hereunder. The Consultant further covenants that in the performance of this Contract, no person having any such interest shall be employed.

STATE OF MISSOURI ) ss  
COUNTY OF \_\_\_\_\_)

**AFFIDAVIT**  
(as required by Section 285.530, Revised Statutes of Missouri)

As used in this Affidavit, the following terms shall have the following meanings:

**EMPLOYEE:** Any person performing work or service of any kind for hire within the State of Missouri.

**FEDERAL WORK AUTHORIZATION PROGRAM:** Any of the electronic verification of work authorization programs operated by the United States Department of Homeland Security or an equivalent federal work authorization program operated by the United States Department of Homeland Security to verify information of newly hired employees, under the Immigration Reform and Control Act of 1986 (IRCA), P.L. 99-603.

**KNOWINGLY:** A person acts knowingly or with knowledge,

- (a) with respect to the person's conduct or to attendant circumstances when the person is aware of the nature of the person's conduct or that those circumstances exist; or
- (b) with respect to a result of the person's conduct when the person is aware that the person's conduct is practically certain to cause that result.

**UNAUTHORIZED ALIEN:** An alien who does not have the legal right or authorization under federal law to work in the United States, as defined in 8 U.S.C. 1324a(h)(3).

BEFORE ME, the undersigned authority, personally appeared \_\_\_\_\_, who, being duly sworn,  
states on his oath or affirmation as follows:

1. My name is \_\_\_\_\_ and I am currently the  
President of \_\_\_\_\_ (hereinafter  
“Contractor”), whose business address is \_\_\_\_\_

“and I am authorized to make this  
Affidavit.

2. I am of sound mind and capable of making this Affidavit and am personally acquainted with  
the facts stated herein.

3. Contractor is enrolled in and participates in a federal work authorization program with  
respect to the employees working in connection with the following services contracted between  
Contractor and \_\_\_\_\_

4. Contractor does not knowingly employ any person who is an unauthorized alien in  
connection with the contracted services set forth above.

5. Attached hereto is documentation affirming Contractor's enrollment and participation in a federal work authorization program with respect to the employees working in connection with the contracted services.

Further, Affiant sayeth not.

---

Affiant

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Commission #

**SAMPLE PRE-SELECTION (WATER/WASTER WATER)  
STANDARD AGREEMENT BETWEEN OWNER & CONSULTANT  
FOR PROFESSIONAL ENVIRONMENTAL SERVICES**

This is an agreement made as of \_\_\_\_\_ 20\_\_\_\_, between \_\_\_\_\_ (owner) and \_\_\_\_\_ (consultant). The owner intends to perform a community development project, and the owner and consultant in consideration of their mutual covenants herein agree in respect of the performance of professional environmental services by consultant and the payment for those services by owner as set forth below. Consultant shall provide environmental services for owner to which this agreement applies.

**Section 1 – Basic Services for Consultant**

The consultant shall complete, in a professional and timely manner environmental services, as prescribed by Community Development Block Grant program. The specific services of the consultant are indicated in Exhibit A, “Scope of Services.”

**Section 2 – Owner’s Responsibilities**

The owner shall:

- 2.1 Provide all criteria and full information as to owner’s requirements for the project, and furnish copies of all documents related to the project.
- 2.2 Assist consultant by placing at his/her disposal all available information pertinent to the project, including previous reports and any other data relative to the project.
- 2.3 Give prompt notice to consultant whenever owner observes or otherwise becomes aware of any development that affects the scope of the project.
- 2.4 Bear all costs incidental to compliance with the requirements of Section 2.

**Section 3 – Period of Service**

The provisions of this Section 3 and the rates of compensation for the consultant’s services provided for elsewhere in this Agreement have been agreed to in anticipation of the orderly and continuous progress of the project through completion.

**Section 4 – Payments to Consultant**

- 4.1 The maximum amount the owner shall pay the consultant for professional environmental services performed under this agreement shall not exceed \$ \_\_\_\_\_. Full payment of the fees associated with Section 4.1, agreed to by the Owner and Consultant by and through this agreement shall be contingent upon CDBG funding. In the event that grant funds are not awarded to Owner by the CDBG program, this agreement shall be terminated by Owner.
- 4.2 Consultant may submit a statement for 90% of services rendered at the time of CDBG grant award and DED’s environmental approval. Consultant may submit statement for remaining 10% of contract upon DEDs receipt of the Engineer/Consultant’s Certification For Acceptance and Final Payment.

**Section 5 – Special Provisions and Exhibits**

- 5.1 The following exhibits are attached to and made a part of this Agreement.
  - 5.1.1 Exhibit A, “Scope of Services,” consisting of \_\_\_\_\_ pages.
  - 5.1.2 Part II, “Terms and Conditions,” consisting of \_\_\_\_\_ pages.

5.2 This Agreement (consisting of pages 1 to \_\_\_\_\_, inclusive), together with the exhibits identified above, constitute the entire agreement between the owner and consultant and supersede all prior written or oral understandings. This agreement and said exhibits may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

In witness whereof, the parties hereto have made and executed this Agreement as of the day and year first above written.

Owner:

Consultant:

**ENVIRONMENTAL SERVICES AGREEMENT**

**EXHIBIT A – SCOPE OF SERVICE**

The Consultant shall complete, in a professional and timely manner, the following services relative to the Owner's Community Development Block Grant Program. Such actions shall be performed in a manner prescribed by the Missouri Department of Economic Development.

Assist the owner [otherwise known as the Responsible Entity as defined at 52.2(a)(7)], at a minimum, with the following services as prescribed by the Missouri Department of Economic Development (DED) and assist RE with HUD Environmental Compliance for the life of the project:

1. Informing all parties in the project of the requirement for completing an environmental review, including limitations on activities pending clearance
2. Project aggregation of all proposed actions assisted with HUD funds and non-HUD funds for determining the level of environmental review appropriate for the scope, scale, and nature of the project
3. Ensuring all relevant procedures are appropriately performed and compliance clearly documented with approved sources for meeting requirements of the National Environmental Policy Act of 1969, as amended, and related laws and authorities, and HUD's 24 CFR Part 58 Regulation for Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities
4. Preparation of the most current and appropriate environmental documents provided by or approved by HUD and DED
5. Contacting and consulting with appropriate environmental agencies and other relevant and interested parties
6. Preparation of public notices and adherence to accompanying comment periods
7. Ensuring qualified environmental professionals are obtained for conducting specific environmental services not otherwise included in the general scope of work
8. Submission of the Environmental Review Record to DED for review and approval, including revisions, Amendments, Tier II Reviews, etc, as applicable
9. Ensuring environmental approval is received from DED prior to the initiation of project activities; including any proposed changes to the project that were not included in the original environmental review approved by DED.
10. Documenting conditions for environmental approval, as applicable
11. Ensuring a complete original Environmental Review Record exists at the owner's offices and available for review upon request by DED and HUD staff, and the public
12. Other environmental services as determined and agreed upon with the owner

## PROFESSIONAL SERVICES AGREEMENT (CONTINUED)

### CONTRACT FOR PROFESSIONAL SERVICES ADDITIONAL TERMS AND CONDITIONS

1. Termination of Contract for Cause. If, through any cause, the Consultant shall fail to fulfill in a timely and proper manner his obligations under this Contract, or if the Consultant shall violate any of the covenants, agreements, or stipulations of this Contract, the Owner shall thereupon have the right to terminate this contract by giving written notice to the Consultant of such termination and specifying the effective date thereof, at least ten (10) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the Consultant under this Contract shall, at the option of the Owner, become its property and the Consultant shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder.

Notwithstanding the above, the Consultant shall not be relieved of liability to the Owner for damages sustained by the Owner by virtue of any breach of the Contract by the Consultant, and the Owner may withhold any payments to the Consultant for the purpose of set-off until such time as the exact amount of damages due the Owner from the Consultant is determined.

2. Termination for Convenience of the Owner. The Owner may terminate this Contract at any time by giving at least ten (10) days notice in writing to the Consultant. If the Contract is terminated by the Owner as provided herein, the Consultant will be paid for the time provided and expenses incurred up to the termination date. If this Contract is terminated due to the fault of the Consultant, Paragraph 1 hereof relative to termination shall apply.
3. Changes. The Owner may, from time to time, request changes in the scope of the services of the Consultant to be performed hereunder. Such changes, including any increase or decrease in the amount of the Consultant's compensation, which are mutually agreed upon by and between the Owner and the Consultant, shall be incorporated in written amendments to this Contract.

4. Personnel.
  - a. The Consultant represents that he/she has, or will secure at his/her own expense, all personnel required in performing the services under this Contract. Such personnel shall not be employees of or have any contractual relationship with the City.
  - b. All of the services required hereunder will be performed by the Consultant or under his/her supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and Local law to perform such services.
  - c. None of the work or services covered by this Contract shall be subcontracted without the prior written approval of the Owner. Any work or services subcontracted hereunder shall be specified by written contract or agreement and shall be subject to each provision of this Contract.
5. Assignability. The Consultant shall not assign any interest on this Contract, and shall not transfer any interest in the same (whether by assignment or invitation), without the prior written consent of the Owner thereto. Provided, however, that the claims for money by the Consultant from the Owner under this Contract may be assigned to a bank, trust company, or other financial institution without such approval. Written notice of any such assignment or transfer shall be furnished promptly to the Owner.

6. Reports and Information. The Consultant, at such times and in such forms as the Owner may require, shall furnish the Owner such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Contract, the costs and obligations incurred or to be incurred in connection therewith, and any other matters covered by this Contract.
7. Records and Audits. The Consultant shall maintain accounts and records, including personnel, property, and financial records, adequate to identify and account for all costs pertaining to the Contract and such other records as may be deemed necessary by the Owner to assure proper accounting for all project funds, both Federal and non-Federal shares. These records will be made available for audit purposes to the Owner or any authorized representative, and will be retained for five years after the expiration of this Contract unless permission to destroy them is granted by the Owner.
8. Findings Confidential. All of the reports, information, date, etc. prepared or assembled by the Consultant under this Contract are confidential and the Consultant agrees that they shall not be made available to any individual or organization without the prior written approval of the Owner.
9. Copyright. No report, maps, or other documents produced in whole or in part under this Contract shall be the subject of an application for copyright by or on behalf of the Consultant.
10. Compliance with Local Laws. The Consultant shall comply with all applicable laws, ordinances, and codes of the State and local governments, and the Consultant shall save the Owner harmless with respect to any damages arising from any tort done in performing any of the work embraced by this Contract.
11. Equal Employment Opportunity. During the performance of this Contract, the Consultant agrees as follows:
  - a. The Consultant will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, religion, or sex. The Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, national origin, religion, or sex. Such action shall include, but not be limited to, employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this non-discrimination clause.
  - b. The Consultant will, in all solicitation or advertisements for employees placed by or on behalf of the Consultant, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, national origin, religion, or sex.
  - c. The Consultant will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Contract so that provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.
  - d. The Consultant will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
  - e. The Consultant will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the City

and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

- f. In the event of the Consultant's noncompliance with the non-discrimination clauses of this Agreement or with any of such rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part, and the Consultant may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
  - g. The Consultant will include the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204, Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Consultant will take such action with respect to any subcontract or purchase order as the Owner may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event the Consultant becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Owner, the Consultant may request the United States Government to enter into such litigation to protect the interests of the United States.
12. Civil Rights Act of 1964. Under Title VI of the Civil Rights Act of 1964, no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.
13. Section 109(a) of the Housing and Community Development Act of 1974. No person in the United States shall on the grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975, or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973, shall also apply to any such program or activity.
14. Section 503 of the Rehabilitation Act of 1973, as amended, provides for the nondiscrimination in contractor employment. All recipients of Federal funds must certify to the following through all contracts issued.

Affirmative Action for Handicapped Workers

- a. The consultant will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The consultant agrees to take affirmative action to employ, advance in employment, and to otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices, such as employment upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship.
- b. The consultant agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.

- c. In the event of the consultant's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
  - d. The consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, provided by or through the contracting officer. Such notices shall state the consultant's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of the applicants and employees.
  - e. The consultant will notify each labor union or representative of workers, if applicable, with which it has a collective bargaining agreement or other contract understanding that the contractor is bound by terms of Section 503 of the Rehabilitation Act of 1973 and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.
  - f. The consultant will include the provisions of this clause in every subcontract, if applicable, or purchase order of \$2,500 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Act, so that such provisions will be binding upon each subcontractor or vendor. The consultant will take such action with respect to any subcontractor or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.
15. Section 504 of the Rehabilitation Act of 1973, as amended, provides for nondiscrimination of an otherwise qualified individual solely on the basis of his handicap in benefiting from any program or activity receiving Federal financial assistance. All recipients must certify to compliance with all provisions of this Section.
16. Age Discrimination Act of 1975. No person in the United States, on the basis of age, shall be excluded from participation in, be denied benefits of, or be subjected to discrimination under, any program or activity receiving Federal financial assistance.
17. Authorized Employees. Consultant acknowledges that Section 285.530, RSMo, prohibits any business entity or employer from knowingly employing, hiring for employment, or continuing to employ an unauthorized alien to perform work within the State of Missouri. Consultant therefore covenants that is not knowingly in violation of subsection 1 or Section 285.530, RSMo, and that it will not knowingly employ, hire for employment, or continue to employ any unauthorized aliens to perform work on the Project, and that its employees are lawfully to work in the United States.
18. Interest of Members of a City. No member of the governing body of the City and no other officer, employee, or agent of the City, who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Contract, and the Consultant shall take appropriate steps to assure compliance.
19. Interest of Other Local Public Officials. No member of the governing body of the locality and no other public official of such locality, who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Contract, and the Consultant shall take appropriate steps to assure compliance.

20. Interest of Consultant and Employees. The Consultant covenants that he/she presently has no interest and shall not acquire interest, direct or indirect, in the study area or any parcels therein or any other interest which would conflict in any manner or degree with the performance of his services hereunder. The Consultant further covenants that in the performance of this Contract, no person having any such interest shall be employed.

STATE OF MISSOURI ) ss  
COUNTY OF \_\_\_\_\_)

**AFFIDAVIT**  
(as required by Section 285.530, Revised Statutes of Missouri)

As used in this Affidavit, the following terms shall have the following meanings:

**EMPLOYEE:** Any person performing work or service of any kind for hire within the State of Missouri.

**FEDERAL WORK AUTHORIZATION PROGRAM:** Any of the electronic verification of work authorization programs operated by the United States Department of Homeland Security or an equivalent federal work authorization program operated by the United States Department of Homeland Security to verify information of newly hired employees, under the Immigration Reform and Control Act of 1986 (IRCA), P.L. 99-603.

**KNOWINGLY:** A person acts knowingly or with knowledge,

- (a) with respect to the person's conduct or to attendant circumstances when the person is aware of the nature of the person's conduct or that those circumstances exist; or
- (b) with respect to a result of the person's conduct when the person is aware that the person's conduct is practically certain to cause that result.

**UNAUTHORIZED ALIEN:** An alien who does not have the legal right or authorization under federal law to work in the United States, as defined in 8 U.S.C. 1324a(h)(3).

BEFORE ME, the undersigned authority, personally appeared \_\_\_\_\_, who, being duly sworn,  
states on his oath or affirmation as follows:

1. My name is \_\_\_\_\_ and I am currently the  
President of \_\_\_\_\_ (hereinafter  
“Contractor”), whose business address is \_\_\_\_\_

“and I am authorized to make this  
Affidavit.

2. I am of sound mind and capable of making this Affidavit and am personally acquainted with  
the facts stated herein.

3. Contractor is enrolled in and participates in a federal work authorization program with  
respect to the employees working in connection with the following services contracted between  
Contractor and \_\_\_\_\_

4. Contractor does not knowingly employ any person who is an unauthorized alien in  
connection with the contracted services set forth above.

5. Attached hereto is documentation affirming Contractor's enrollment and participation in a federal work authorization program with respect to the employees working in connection with the contracted services.

Further, Affiant sayeth not.

---

Affiant

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Commission #

## SAMPLE CONTRACT FOR ENGINEERING AND TECHNICAL SERVICES

This Agreement entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between \_\_\_\_\_ located at \_\_\_\_\_, hereinafter referred to as "Engineer" and the (City/County) of \_\_\_\_\_, Missouri, hereinafter referred to as "City/County" for furnishing engineering and technical services.

The services will be for the design of \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

### I. SCOPE OF SERVICES

In connection with the above, Engineer will perform the following services:

#### A. Topographic and Design Surveys

1. Engineer will obtain the topographic and design surveys necessary for the preparation of contract plans for the proposed improvements. Such surveys will include, but not necessarily be limited to:

a. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.  
\_\_\_\_\_.

b. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.  
\_\_\_\_\_.

c. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.  
\_\_\_\_\_.

d. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.  
\_\_\_\_\_.

#### B. Geotechnical Services

Engineer will obtain all necessary subsurface investigations, tests, reports, and perform related surveys.

#### C. Contract Plans and Cost Estimate

1. Engineer will prepare complete and detailed final contract plans for the proposed improvements as previously described. The plans will include, but not be limited to, the following:

a. \_\_\_\_\_  
\_\_\_\_\_.

- b. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- c. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Engineer will assist the City/County in obtaining the approval of final agreements with the utility companies and other such public agencies as may be necessary.
3. Engineer will prepare a complete set of front end documents and technical specifications for the construction package.
4. Engineer will provide quantities and a detailed estimate of cost for the work.
5. Engineer will prepare the notice to contractors for bidding purposes, notify Dodge Reports of the progress of the project, send written notices to a number of contractors qualified to bid on the work, and send written notices to various minority organizations and minority contractors.

D. Easement Deeds

Engineer will prepare easement deeds, ready for signature, for all properties from which easements will be required for construction.

E. Construction Services

1. Engineer will assist the City/County in advertising for bids, attend the bid opening, prepare bid tabulations, and assist in analyzing bids and making recommendation with respect to the selection of a qualified contractor for the construction of the work.
2. Engineer will prepare and forward \_\_\_\_\_ signature sets of Contract Documents to the contractor selected by City/County.
3. Engineer will be available for general consultation and interpretation of the plans and specifications during construction.
4. Engineer will visit the site a maximum of \_\_\_\_\_ times and observe the progress of construction at intervals during construction of the project. Such observation is not to be construed as supervision of construction, but is a review of the work for general conformance with contract plans.
5. Engineer will review all shop and working drawings.
6. Engineer will participate in the final inspection (included in the visits mentioned in E-3).

## **II. TO BE PROVIDED BY THE CITY/COUNTY**

- A. All available pertinent information that it may have in its possession or to which it may have access.
- B. A representative to whom Engineer will report and from whom Engineer shall receive instruction and authorization.
- C. Right of access to all properties as required during the execution of the work.
- D. All necessary resident engineering services.
- E. Services of an independent testing laboratory to perform all materials testing necessary for control of the project during the construction phase.
- F. Title work necessary for easement or property acquisition.

## **III. TO BE PROVIDED BY ENGINEER**

- A. The services of all professional and technical personnel required for the performance of the services described under Scope of Work.
- B. Up to \_\_\_\_\_ copies of the construction plans and specifications for the project.

## **IV. TIME OF PERFORMANCE**

- A. The services of Engineer are to commence upon the signing of the contract, and the final contract plans and documents will be available, ready for advertising for bids, within \_\_\_\_\_ days after receipt of notice to proceed.
- B. Construction services shall be provided at such time as may be required.

## **V. COMPENSATION**

- A. The City/County will compensate Engineer for the work specified above as follows:
  1. For all work and services described in the Scope of Services, except B, Geotechnical Services, the lump sum fee shall be \_\_\_\_\_ (\$00,000.00).
  2. For all work and services included in B, Geotechnical Services, the fee shall be the direct cost of the subcontract services furnished by a geotechnical consultant, plus \_\_\_\_\_ percent for administration. The scope and cost of said services would be reviewed and approved by the City/County prior to any authorization to proceed.
  3. This cost shall constitute complete compensation for all direct labor, payroll burden, general and administrative overhead, profit, travel, equipment, and materials necessary to complete the tasks as set forth in the Scope of Work.

## **VI. METHOD OF PAYMENT**

Payment to Engineer for services under Scope of Work will be made monthly based on the percentage of work completed during the preceding month and will, in every case, be supported by a suitable invoice.

## **VII. SPECIAL CONDITIONS**

This contract is subject to and incorporates the provisions attached hereto as Exhibit A, the Regulations of the Department of Housing and Urban Development relative to Contracts for Community Development, Part II, General Terms and Conditions.

### VIII. ACCEPTANCE

If this contract meets with your approval, please indicate your acceptance by signing this proposal and returning one signed copy.

Submitted by:

**Engineer Name**

Attest:

---

*Name and title*

---

*Name and Title*

**City/County**

Attest:

---

*Name and title*

---

*Name and Title*

## SAMPLE CONTRACT FOR ENGINEERING SERVICES (CONTINUED)

### CONTRACT FOR ENGINEERING SERVICES

#### PART II – TERMS AND CONDITIONS

1. Termination of Contract for Cause. If, through any cause, the Engineer shall fail to fulfill in a timely and proper manner his obligations under this Contract, or if the Engineer shall violate any of the covenants, agreements, or stipulations of this Contract, the Owner shall thereupon have the right to terminate this Contract by giving written notice to the Engineer of such termination and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the Engineer under this Contract shall, at the option of the Owner, become its property and the Engineer shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder.

Notwithstanding the above, the Engineer shall not be relieved of liability to the Owner for damages sustained by the Owner by virtue of any breach of the Contract by the Engineer, and the Owner may withhold any payments to the Engineer for the purpose of set-off until such time as the exact amount of damages due the Owner from the Engineer is determined.
2. Termination for Convenience of the Owner. The Owner may terminate this Contract at any time by giving at least ten (10) days notice in writing to the Engineer. If the Contract is terminated by the Owner as provided herein, the Engineer will be paid for the time provided and expenses incurred up to the termination date. If this Contract is terminated due to the fault of the Engineer, Paragraph 1 hereof relative to termination shall apply.
3. Changes. The Owner may, from time to time, request changes in the scope of the services of the Engineer to be performed hereunder. Such changes, including any increase or decrease in the amount of the Engineer's compensation, which are mutually agreed upon by and between the Owner and the Engineer, shall be incorporated in written amendments to this Contract.
4. Personnel.
  - a. The Engineer represents that he/she has, or will secure at his/her own expense, all personnel required in performing the services under this Contract. Such personnel shall not be employees of or have any contractual relationship with the Owner.
  - b. All of the services required hereunder will be performed by the Engineer or under his/her supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and Local law to perform such services.
  - c. None of the work or services covered by this Contract shall be subcontracted without the prior written approval of the Owner. Any work or services subcontracted hereunder shall be specified by written contract or agreement and shall be subject to each provision of this Contract.
5. Assignability. The Engineer shall not assign any interest on this Contract, and shall not transfer any interest in the same (whether by assignment or invitation), without the prior written consent of the Owner thereto. Provided, however, that the claims for money by the Engineer from the Owner under this Contract may be assigned to a bank, trust company, or other financial institution without such approval. Written notice of any such assignment or transfer shall be furnished promptly to the Owner.

6. Reports and Information. The Engineer, at such times and in such forms as the Owner may require, shall furnish the Owner such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Contract, the costs and obligations incurred or to be incurred in connection therewith, and any other matters covered by this Contract.
7. Records and Audits. The Engineer shall maintain accounts and records, including personnel, property, and financial records, adequate to identify and account for all costs pertaining to the Contract and such other records as may be deemed necessary by the Owner to assure proper accounting for all project funds, both Federal and non-Federal shares. These records will be made available for audit purposes to the Owner or any authorized representative, and will be retained for five years after the expiration of this Contract unless permission to destroy them is granted by the Owner.
8. Findings Confidential. All of the reports, information, date, etc. prepared or assembled by the Engineer under this Contract are confidential and the Engineer agrees that they shall not be made available to any individual or organization without the prior written approval of the Owner.
9. Copyright. No report, maps, or other documents produced in whole or in part under this Contract shall be the subject of an application for copyright by or on behalf of the Engineer.
10. Compliance with Local Laws. The Engineer shall comply with all applicable laws, ordinances, and codes of the State and local governments, and the Engineer shall save the Owner harmless with respect to any damages arising from any tort done in performing any of the work embraced by this Contract.
11. Equal Employment Opportunity. During the performance of this Contract, the Engineer agrees as follows:
  - a. The Engineer will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, religion, or sex. The Engineer will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, national origin, religion, or sex. Such action shall include, but not be limited to, employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Engineer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Owner setting forth the provisions of this non-discrimination clause.
  - b. The Engineer will, in all solicitation or advertisements for employees placed by or on behalf of the Engineer, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, national origin, religion, or sex.
  - c. The Engineer will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Contract so that provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.
  - d. The Engineer will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
  - e. The Engineer will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Owner

and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

- f. In the event of the Engineer's noncompliance with the non-discrimination clauses of this Agreement or with any of such rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part, and the Engineer may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
  - g. The Engineer will include the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Engineer will take such action with respect to any subcontract or purchase order as the Owner may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event the Engineer becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Owner, the Engineer may request the United States Government to enter into such litigation to protect the interests of the United States.
12. Civil Rights Act of 1964. Under Title VI of the Civil Rights Act of 1964, no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.
13. Section 109(a) of the Housing and Community Development Act of 1974. No person in the United States shall on the grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975, or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973, shall also apply to any such program or activity.
14. Section 503 of the Rehabilitation Act of 1973, as amended, provides for the nondiscrimination in contractor employment. All recipients of Federal funds must certify to the following through all contracts issued.

Affirmative Action for Handicapped Workers

- a. The Engineer will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The Engineer agrees to take affirmative action to employ, advance in employment, and to otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices, such as employment upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship.
- b. The Engineer agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.

- c. In the event of the Engineer's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
  - d. The Engineer agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, provided by or through the contracting officer. Such notices shall state the contractor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of the applicants and employees.
  - e. The Engineer will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the contractor is bound by terms of Section 503 of the Rehabilitation Act of 1973 and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.
  - f. The Engineer will include the provisions of this clause in every subcontract or purchase order of \$2,500 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Act, so that such provisions will be binding upon each subcontractor or vendor. The Engineer will take such action with respect to any subcontractor or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.
15. Section 504 of the Rehabilitation Act of 1973, as amended, provides for nondiscrimination of an otherwise qualified individual solely on the basis of his handicap in benefiting from any program or activity receiving Federal financial assistance. All recipients must certify to compliance with all provisions of this Section.
16. Age Discrimination Act of 1975. No person in the United States, on the basis of age, be excluded from participation in, be denied benefits of, or be subjected to discrimination under, any program or activity receiving Federal financial assistance.
17. Authorized Employees. Consultant acknowledges that Section 285.530, RSMo, prohibits any business entity or employer from knowingly employing, hiring for employment, or continuing to employ an unauthorized alien to perform work within the State of Missouri. Consultant therefore covenants that is not knowingly in violation of subsection 1 or Section 285.530, RSMo, and that it will not knowingly employ, hire for employment, or continue to employ any unauthorized aliens to perform work on the Project, and that its employees are lawfully to work in the United States.
18. Interest of Members of a City. No member of the governing body of the City and no other officer, employee, or agent of the City who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Contract, and the Engineer shall take appropriate steps to assure compliance.
19. Interest of Other Local Public Officials. No member of the governing body of the locality and no other public official of such locality, who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Contract, and the Engineer shall take appropriate steps to assure compliance.

20. Interest of Engineer and Employees. The Engineer covenants that he/she presently has no interest and shall not acquire interest, direct or indirect, in the study area or any parcels therein or any other interest which would conflict in any manner or degree with the performance of his services hereunder. The Engineer further covenants that in the performance of this Contract, no person having any such interest shall be employed.

STATE OF MISSOURI ) ss  
COUNTY OF \_\_\_\_\_)

**AFFIDAVIT**  
(as required by Section 285.530, Revised Statutes of Missouri)

As used in this Affidavit, the following terms shall have the following meanings:

**EMPLOYEE:** Any person performing work or service of any kind for hire within the State of Missouri.

**FEDERAL WORK AUTHORIZATION PROGRAM:** Any of the electronic verification of work authorization programs operated by the United States Department of Homeland Security or an equivalent federal work authorization program operated by the United States Department of Homeland Security to verify information of newly hired employees, under the Immigration Reform and Control Act of 1986 (IRCA), P.L. 99-603.

**KNOWINGLY:** A person acts knowingly or with knowledge,

- (a) with respect to the person's conduct or to attendant circumstances when the person is aware of the nature of the person's conduct or that those circumstances exist; or
- (b) with respect to a result of the person's conduct when the person is aware that the person's conduct is practically certain to cause that result.

**UNAUTHORIZED ALIEN:** An alien who does not have the legal right or authorization under federal law to work in the United States, as defined in 8 U.S.C. 1324a(h)(3).

BEFORE ME, the undersigned authority, personally appeared \_\_\_\_\_, who, being duly sworn,  
states on his oath or affirmation as follows:

1. My name is \_\_\_\_\_ and I am currently the  
President of \_\_\_\_\_ (hereinafter  
“Contractor”), whose business address is \_\_\_\_\_

“and I am authorized to make this  
Affidavit.

2. I am of sound mind and capable of making this Affidavit and am personally acquainted with  
the facts stated herein.

3. Contractor is enrolled in and participates in a federal work authorization program with  
respect to the employees working in connection with the following services contracted between  
Contractor and \_\_\_\_\_

4. Contractor does not knowingly employ any person who is an unauthorized alien in  
connection with the contracted services set forth above.

5. Attached hereto is documentation affirming Contractor's enrollment and participation in a federal work authorization program with respect to the employees working in connection with the contracted services.

Further, Affiant sayeth not.

---

Affiant

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Commission #

## **SAMPLE FOR COMBINED PRE-SELECTION ENGINEERING AND TECHNICAL SERVICES**

This Agreement entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between \_\_\_\_\_ located at \_\_\_\_\_, hereinafter referred to as "Engineer" and the (City/County) of \_\_\_\_\_, Missouri, hereinafter referred to as "City/County" for furnishing engineering and technical services.

The services will be for the preliminary engineering report and final design of \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

### **I. SCOPE OF SERVICES**

In connection with the above, Engineer will perform the following services:

**A. Preliminary Engineering Report (PER)**

1. The Engineer will conduct preliminary investigations, prepare preliminary drawings, provide a preliminary itemized list of probable construction cost effective as of the date preliminary report, and submit a preliminary engineering report following Missouri Water and Wastewater Review Committee instructions and guides. The City/County will receive progress reports from the Engineer regarding the completion of the preliminary services. These services are to be completed in a reasonable time.

**B. Topographic and Design Surveys**

1. Engineer will obtain the topographic and design surveys necessary for the preparation of contract plans for the proposed improvements. Such surveys will include, but not necessarily be limited to:

a. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

b. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

c. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

d. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

C. Geotechnical Services

Engineer will obtain all necessary subsurface investigations, tests, reports, and perform related surveys.

D. Contract Plans and Cost Estimate

1. Engineer will prepare complete and detailed final contract plans for the proposed improvements as previously described. The plans will include, but not be limited to the following:

a. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

b. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

c. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.  
\_\_\_\_\_.

2. Engineer will assist the City/County in obtaining the approval of final agreements with the utility companies and other such public agencies as may be necessary.
3. Engineer will prepare a complete set of front-end documents and technical specifications for the construction package.
4. Engineer will provide quantities and a detailed estimate of cost for the work.
5. Engineer will prepare the notice to contractors for bidding purposes, notify Dodge Reports of the progress of the project, send written notices to a number of contractors qualified to bid on the work, and send written notices to various minority organizations and minority contractors.

E. Construction Services

1. Engineer will assist the City/County in advertising for bids, attend the bid opening, prepare bid tabulations, and assist in analyzing bids and making recommendation with respect to the selection of a qualified contractor for the construction of the work.
2. Engineer will prepare and forward \_\_\_\_\_ signature sets of Contract Documents to the contractor selected by City/County.
3. Engineer will be available for general consultation and interpretation of the plans and specifications during construction.
4. Engineer will review all shop and working drawings.
5. Engineer will participate in the final inspection.

**F. Resident Inspection**

Engineer will visit the site a maximum of \_\_\_\_\_ times and observe the progress of construction at intervals during construction of the project. Such observation is not to be construed as supervision of construction, but is a review of the work for general conformance with contract plans.

Unless otherwise agreed, the resident inspector will be provided by the Engineer. The Engineer's undertaking hereunder shall not relieve the contractor or contractor's obligation to perform the work in conformity with the drawings and specifications and in workmanlike manner, shall not make the Engineer an insurer of the contractor's performance, and shall not impose upon the Engineer any obligation to see that the work is performed in a safe manner.

**II. TO BE PROVIDED BY THE CITY/COUNTY**

- A. All available pertinent information that it may have in its possession or to which it may have access.
- B. A representative to whom Engineer will report and from whom Engineer shall receive instruction and authorization.
- C. Right of access to all properties as required during the execution of the work.

**III. TO BE PROVIDED BY ENGINEER**

- A. The services of all professional and technical personnel required for the performance of the services described under Scope of Services.
- B. Up to \_\_\_\_\_ copies of the construction plans and specifications for the project.

**IV. TIME OF PERFORMANCE**

- A. The services of Engineer are to commence upon the signing of the contract, and the final contract plans and documents will be available, ready for advertising for bids, within \_\_\_\_\_ days after receipt of notice to proceed.
- B. Construction services shall be provided at such time as may be required.

**V. COMPENSATION FOR ENGINEERING SERVICES**

- A. The City/County will compensate Engineer for the work specified above as follows:
  1. The City/County will compensate the Engineer for Preliminary Engineering Report (PER) in the lump sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) to be paid after review and approval of the preliminary engineering report by the City/County and appropriate State Agency.
  2. The City/County will compensate the Engineer for Design and Contract administration engineering services (Scope of Services B, D, E) the lump sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_)
  3. The City/County will compensate the Engineer for Geotechnical Services (if necessary) the lump sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) .
  4. For all work and services included in C, Geotechnical Services, the fee shall be the direct cost of the subcontract services furnished by a geotechnical consultant, plus

\_\_\_\_\_ percent for administration. The scope and cost of said services will be reviewed and approved by the City/County prior to any authorization to proceed.

5. This cost shall constitute complete compensation for all direct labor, payroll burden, general and administrative overhead, profit, travel, equipment, and materials necessary to complete the tasks as set forth in the Scope of Services.

B. Applicable to Community Development Block Grant Funding

1. All costs associated with this contract **Scope of Services Section I-A** are the responsibility of the City/County and are not subject to payment or re-imbursement from the CDBG program.
2. All costs associated with this contract **Scope of Services Section I-A** will not be applied to any cash or in-kind match obligation.
3. The City/County use of Community Development Block Grant funds for payment of any costs associated with **Scope of Services Sections B, C, D, E, F** are **contingent upon award from the Community Development Block Grant Program.**
4. If the project financing is not accomplished or for any reason, the project is abandoned, and the City/County and the Engineer agree to negotiate a settlement as permitted by Law.

**VI. COMPENSATION FOR RESIDENT INSPECTION (SECTION I-F)**

When the Engineer provides resident inspection, the Engineer will submit documentation showing the total dollar amount that reflects and details out the hourly amount plus any expenses the Engineer would incur for resident inspection of the project. Anticipated duties and responsibilities include, but are not limited to keeping a daily log of construction, verifications of materials on hand, work completed to date, weather conditions, and contractor and subcontractor working on site.

The City/County agrees to pay the Engineer for inspection services at a not to exceed the lump fee of \_\_\_\_\_ Dollars (\$\_\_\_\_\_\_).

**VII. METHOD OF PAYMENT**

Payment to Engineer for services under Scope of Services will be made monthly based on the percentage of work completed during the preceding month and will, in every case, be supported by a suitable invoice. Design, inspection, and other services will be separated in the invoice and billed accordingly.

**VIII. SPECIAL CONDITIONS**

This contract is subject to and incorporates the provisions attached hereto as Exhibit A, the Regulations of the Department of Housing and Urban Development relative to Contracts for Community Development, Part II, General Terms and Conditions.

## IX. ACCEPTANCE

If this contract meets with your approval, please indicate your acceptance by signing this proposal and returning one signed copy.

Submitted by:

**Engineer Name**

Attest:

---

*Name and title*

**City/County**

---

*Name and Title*

Attest:

---

*Name and title*

---

*Name and Title*

## **SAMPLE CONTRACT FOR ENGINEERING SERVICES (CONTINUED)**

### **CONTRACT FOR ENGINEERING SERVICES**

#### **PART II – TERMS AND CONDITIONS**

1. **Termination of Contract for Cause.** If, through any cause, the Engineer shall fail to fulfill in a timely and proper manner his obligations under this Contract, or if the Engineer shall violate any of the covenants, agreements, or stipulations of this Contract, the Owner shall thereupon have the right to terminate this Contract by giving written notice to the Engineer of such termination and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the Engineer under this Contract shall, at the option of the Owner, become its property and the Engineer shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder.

Notwithstanding the above, the Engineer shall not be relieved of liability to the Owner for damages sustained by the Owner by virtue of any breach of the Contract by the Engineer, and the Owner may withhold any payments to the Engineer for the purpose of set-off until such time as the exact amount of damages due the Owner from the Engineer is determined.

2. **Termination for Convenience of the Owner.** The Owner may terminate this Contract at any time by giving at least ten (10) days notice in writing to the Engineer. If the Contract is terminated by the Owner as provided herein, the Engineer will be paid for the time provided and expenses incurred up to the termination date. If this Contract is terminated due to the fault of the Engineer, Paragraph 1 hereof relative to termination shall apply.
3. **Changes.** The Owner may, from time to time, request changes in the scope of the services of the Engineer to be performed hereunder. Such changes, including any increase or decrease in the amount of the Engineer's compensation, which are mutually agreed upon by and between the Owner and the Engineer, shall be incorporated in written amendments to this Contract.
4. **Personnel.**
  - a. The Engineer represents that he has, or will secure at his/her own expense, all personnel required in performing the services under this Contract. Such personnel shall not be employees of or have any contractual relationship with the Owner.
  - b. All of the services required hereunder will be performed by the Engineer or under his supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and Local law to perform such services.
  - c. None of the work or services covered by this Contract shall be subcontracted without the prior written approval of the Owner. Any work or services subcontracted hereunder shall be specified by written contract or agreement and shall be subject to each provision of this Contract.
5. **Assignability.** The Engineer shall not assign any interest on this Contract, and shall not transfer any interest in the same (whether by assignment or invitation), without the prior written consent of the Owner thereto. Provided, however, that the claims for money by the Engineer from the Owner under this Contract may be assigned to a bank, trust company, or other financial institution without such approval. Written notice of any such assignment or transfer shall be furnished promptly to the Owner.

6. Reports and Information. The Engineer, at such times and in such forms as the Owner may require, shall furnish the Owner such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Contract, the costs and obligations incurred or to be incurred in connection therewith, and any other matters covered by this Contract.
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8. Findings Confidential. All of the reports, information, date, etc. prepared or assembled by the Engineer under this Contract are confidential and the Engineer agrees that they shall not be made available to any individual or organization without the prior written approval of the Owner.
9. Copyright. No report, maps, or other documents produced in whole or in part under this Contract shall be the subject of an application for copyright by or on behalf of the Engineer.
10. Compliance with Local Laws. The Engineer shall comply with all applicable laws, ordinances, and codes of the State and local governments, and the Engineer shall save the Owner harmless with respect to any damages arising from any tort done in performing any of the work embraced by this Contract.
11. Equal Employment Opportunity. During the performance of this Contract, the Engineer agrees as follows:
  - a. The Engineer will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, religion, or sex. The Engineer will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, national origin, religion, or sex. Such action shall include, but not be limited to, employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Engineer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this non-discrimination clause.
  - b. The Engineer will, in all solicitation or advertisements for employees placed by or on behalf of the Engineer, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, national origin, religion, or sex.
  - c. The Engineer will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Contract so that provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.
  - d. The Engineer will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
  - e. The Engineer will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the City and

the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

- f. In the event of the Engineer's noncompliance with the non-discrimination clauses of this Agreement or with any of such rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part, and the Engineer may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
  - g. The Engineer will include the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204, Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Engineer will take such action with respect to any subcontract or purchase order as the City may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event the Engineer becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the City, the Engineer may request the United States Government to enter into such litigation to protect the interests of the United States.
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- b. The Engineer agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.

- c. In the event of the Engineer's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
  - d. The Engineer agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, provided by or through the contracting officer. Such notices shall state the contractor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of the applicants and employees.
  - e. The Engineer will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the contractor is bound by terms of Section 503 of the Rehabilitation Act of 1973 and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.
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STATE OF MISSOURI ) ss  
COUNTY OF \_\_\_\_\_)

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(as required by Section 285.530, Revised Statutes of Missouri)

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**KNOWINGLY:** A person acts knowingly or with knowledge,

- (a) with respect to the person's conduct or to attendant circumstances when the person is aware of the nature of the person's conduct or that those circumstances exist; or
- (b) with respect to a result of the person's conduct when the person is aware that the person's conduct is practically certain to cause that result.

**UNAUTHORIZED ALIEN:** An alien who does not have the legal right or authorization under federal law to work in the United States, as defined in 8 U.S.C. 1324a(h)(3).

BEFORE ME, the undersigned authority, personally appeared \_\_\_\_\_, who, being duly sworn,  
states on his oath or affirmation as follows:

1. My name is \_\_\_\_\_ and I am currently the  
President of \_\_\_\_\_ (hereinafter  
“Contractor”), whose business address is \_\_\_\_\_

“and I am authorized to make this  
Affidavit.

2. I am of sound mind and capable of making this Affidavit and am personally acquainted with  
the facts stated herein.

3. Contractor is enrolled in and participates in a federal work authorization program with  
respect to the employees working in connection with the following services contracted between  
Contractor and \_\_\_\_\_

4. Contractor does not knowingly employ any person who is an unauthorized alien in  
connection with the contracted services set forth above.

5. Attached hereto is documentation affirming Contractor's enrollment and participation in a federal work authorization program with respect to the employees working in connection with the contracted services.

Further, Affiant sayeth not.

---

Affiant

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Commission #

## **BID PACKET FOR CONSTRUCTION CONTRACTS**

### **SAMPLE FORMS**

This does not represent all of the required contents of the bid packet. It only provides sample forms. Example: the wage determinations, plans and specifications, maps, etc. are not included here, but must be a part of the total bid packet.

- Advertisement for Bids
- Information for Bidders
- CDBG Bonding and Insurance Requirements
- Bid Bond
- Bid for Unit Price Contracts
- Bidder Qualifications
- Certification of Bidder Regarding Equal Employment Opportunity
- Certification of Bidder Regarding Section 3 and Segregated Facilities
- Information Regarding the Use of Minority and Women's Business Enterprises
- Minority and Women's Business Enterprise Utilization Worksheet
- Bidder Section 3 Plan Format
- Table A Bidder's Proposed Section 3 Contracts/Subcontracts
- Table B Bidder's Section 3 Estimated new Hires
- Table C Contractor's Section 3 New Hires Report
- Table D Contractor's Section 3 Business Utilization Report
- Certification by Proposed Subcontractor Regarding Equal Employment Opportunity
- Certification of Proposed Subcontractor Regarding Section 3 and Segregated Facilities
- Anti-Lobbying Certification
- Performance Bond
- Payment Bond
- Contract
- Certificate of Owner's Attorney
- CDBG General Conditions
- Affidavit Section 285.530, Revised Statutes of Missouri
- Federal Labor Standards Provisions (HUD-4010)
- HUD Supplemental Conditions
- Appendix 1, Summary of Civil Rights Laws, Executive Orders, and Regulations

**Samples of all of the forms listed above follow and should be included as part of the bid packet.**

## ADVERTISEMENT FOR BIDS

Project No. \_\_\_\_\_

\_\_\_\_\_  
(Owner)

Separate sealed bids for \_\_\_\_\_  
will be received by \_\_\_\_\_ at the office of \_\_\_\_\_  
until \_\_\_\_\_ o'clock (A.M. \_\_\_\_ P.M. \_\_\_\_ S.T. \_\_\_\_ DST) \_\_\_\_\_, 20\_\_\_\_\_, and then  
at said office publicly opened and read aloud.

The Information for Bidders, Form of Bid, Form of Contract, Plans, Specifications, and Forms of Bid Bond, Performance and Payment Bond, and other contract documents may be examined at the following:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Copies may be obtained at the office of \_\_\_\_\_ located at \_\_\_\_\_  
upon payment of \$\_\_\_\_\_ for each set. Any unsuccessful bidder, upon returning such set  
promptly and in good condition, will be refunded his payment, and any non-bidder upon so returning  
such a set will be refunded \$\_\_\_\_\_.

The owner reserves the right to waive any informalities or to reject any or all bids.

Each bidder must deposit with his bid security in the amount, form and subject to the conditions  
provided in the Information for Bidders.

Attention of bidders is particularly called to the requirements as to conditions of employment to be  
observed and minimum wage rates to be paid under the contract, Section 3-DBE, Segregated Facility,  
Section 109, and E.O. 11246. MBE and WBE bidders are encouraged to bid.

No bidder may withdraw his bid within \_\_\_\_ days after the actual date of the opening thereof.

\_\_\_\_\_  
(Date)

**“EQUAL EMPLOYMENT OPPORTUNITY”**

## **INFORMATION FOR BIDDERS**

**1. Receipt and Opening of Bids**

The \_\_\_\_\_ (herein called the "Owner"), invites bids on the form attached hereto, all blanks of which must be appropriately filled in. Bids will be received by the Owner at the office of \_\_\_\_\_ until \_\_\_\_\_ o'clock a.m./p.m., \_\_\_\_\_ ST/SDT, \_\_\_\_\_ 20\_\_\_\_\_, and then at said office publicly opened and read aloud. The envelopes containing the bids must be sealed, addressed to \_\_\_\_\_ at \_\_\_\_\_ and designated as bid for \_\_\_\_\_.

The Owner may consider informal any bid not prepared and submitted in accordance with the provisions hereof and may waive any informalities or reject any and all bids. Any bid may be withdrawn prior to the above scheduled time for the opening of bids or authorized postponement thereof. Any bid received after the time and date specified shall not be considered. No bidder may withdraw a bid within \_\_\_\_ days after the actual date of the opening thereof. Should there be reasons why the Contract cannot be awarded within the specified period; the time may be extended by mutual agreement between the Owner and the Bidder.

- 2. Preparation of Bid:** Each bid must be submitted on the prescribed form and accompanied by Certification by Bidder Regarding Equal Employment Opportunity, and Certification of Bidder Regarding Section 3 and Segregated Facilities. All blank spaces for bid prices must be filled in, in ink or typewritten, in both words and figures, and the foregoing Certifications must be fully completed and executed when submitted.
- 3. Subcontracts:** The bidder is specifically advised that any person, or other party, to whom it is proposed to award a subcontract under this contract:
  - a. Must be acceptable to the owner after verification by the HUD Area Office of the current eligibility status; and
  - b. Must submit Certification by Proposed Subcontractor Regarding Equal Employment Opportunity, and Certification of Proposed Subcontractor Regarding Section 3 and Segregated Facilities. Approval of the proposed subcontract award cannot be given by the Owner unless and until the proposed subcontractor has submitted the Certifications and/or other evidence showing that it has fully complied with any reporting requirements to which it is or was subject. Although the bidder is not required to attach such Certifications by proposed subcontractors to his bid, the bidder is here advised of this requirement so that appropriate action can be taken to prevent subsequent delay in subcontract awards.
- 4. Telegraphic Modification:** Any bidder may modify his bid by telegraphic communication at any time prior to the scheduled closing time for receipt of bids, provided such telegraphic communication is received by the Owner prior to the closing time, and, provided further, the Owner is satisfied that a written confirmation of the telegraphic modification over the signature of the bidder was mailed prior to the closing time. The telegraphic communication should not reveal the bid price, but should provide the addition or subtraction or other modification so that the final prices or terms will not be known by the Owner until the sealed bid is opened. If written confirmation is not received within two days from the closing time, no consideration will be given to the telegraphic modification.
- 5. Method of Bidding:** The Owner invites the following bid(s):  

(General Description of Work)

6. Qualifications of Bidder: The Owner may make such investigations as he deems necessary to determine the ability of the bidder to perform the work, and the bidder shall furnish to the Owner all such information and data for this purpose as the Owner may request. The Owner reserves the right to reject any bid if the evidence submitted by, or investigation of, such bidder fails to satisfy the owner that such bidder is properly qualified to carry out the obligations of the contract and to complete the work contemplated therein. Conditional bids will not be accepted.
7. Bid Security: Each bid must be accompanied by a bid bond payable to the Owner for five percent of the total amount of the bid. As soon as the bid prices have been compared, the Owner will return all of the bonds except the three lowest responsible bidders. When the agreement is executed the bonds of the two remaining unsuccessful bidders will be returned. The bid bond of the successful bidder will be retained until the payment bond and performance bond have been executed and approved, after which it will be returned. A certified check on a solvent bank may be used in lieu of a bid bond.
8. Liquidated Damages for Failure to Enter into Contract: The successful bidder, upon his failure or refusal to execute and deliver the contract and bonds required within 15 days after he received notice of the acceptance of his bid, shall forfeit to the Owner, as liquidated damages for such failure or refusal, the security deposited with his bid.
9. Time of Completion and Liquidated Damages: Bidder must agree to commence work on or before a date to be specified in a written "Notice to Proceed" of the Owner and to fully complete the project within \_\_\_\_\_ consecutive calendar days thereafter. Bidder must agree also to pay as liquidated damages, the sum of \$ \_\_\_\_\_ for each consecutive calendar day thereafter as hereinafter provided in the General Conditions.
10. Conditions of Work: Each bidder must inform himself fully of the conditions relating to the construction of the project and the employment of labor thereon. Failure to do so will not relieve a successful bidder of his obligation to furnish all material and labor necessary to carry out the provisions of his contract. Insofar as possible the contractor, in carrying out the work, must employ such methods or means as will not cause any interruption of or interference with the work of any other contractor.
11. Addenda and Interpretations: No interpretation of the meaning to the plans, specifications, or other pre-bid documents will be made to any bidder orally.  
Every request for such interpretation should be in writing addressed to \_\_\_\_\_ at \_\_\_\_\_ and to be given consideration must be received at least five days prior to the date fixed for the opening of bids. Any and all such interpretations and any supplemental instructions will be in the form of written addenda to the specifications which, if issued, will be mailed by certified mail with return receipt requested to all prospective bidders (at the respective addresses furnished for such purposes), not later than three days prior to the date fixed for the opening of bids. Failure of any bidder to receive any such addendum or interpretation shall not relieve such bidder from any obligation under his bid as submitted. All addenda so insured shall become part of the contract documents.
12. Security for Faithful Performance: Simultaneously with his delivery of the executed contract, the Contractor shall furnish a surety bond or bonds as security for faithful performance of this contract and for the payment of all persons performing labor on the project under this contract and furnishing materials in connection with this contract, as specified in the General Conditions included herein. The surety on such bond or bonds shall be a duly authorized surety company satisfactory to the Owner.

13. Power of Attorney: Attorneys-in-fact who sign bid bonds or contract bonds must file with each bond a certified and effectively dated copy of their power of attorney.
14. Notice of Special Conditions: Attention is particularly called to those parts of the contract documents and specifications which deal with the following:
  - a. Inspection and testing of materials
  - b. Insurance requirements
  - c. Wage rates
  - d. Stated allowances
15. Laws and Regulations: The bidder's attention is directed to the fact that all applicable State laws, municipal ordinances, and the rules and regulations of all authorities having jurisdiction over construction of the project shall apply to the contract throughout, and they will be deemed to be included in the contract the same as though herein written out in full.
16. Method of Award - Lowest Qualified Bidder: If at the time this contract is to be awarded, the lowest base bid submitted by a responsible bidder does not exceed the amount of funds then estimated by the Owner as available to finance the contract; the contract will be awarded on the base bid only. If such bid exceeds such amount, the Owner may reject all bids or may award the contract on the base bid combined with such deductible alternates applied in numerical order in which they are listed in the Form of Bid, as produces a net amount which is within the available funds.
17. Obligation of Bidder: At the time of the opening of bids, each bidder will be presumed to have inspected the site and to have read and to be thoroughly familiar with the plans and contract documents (including all addenda). The failure or omission of any bidder to examine any form, instrument, or document shall in no way relieve any bidder from any obligation in respect or his bid.
  - a. Bidders are informed that pursuant to Section 285.530, RSMo, as a condition of the award of any contract in excess of five thousand dollars (\$5,000), the successful bidder shall, by sworn affidavit and provision of documentation, affirm its enrollment and participation in a federal work authorization program with respect to the employees working in connection to the contracted services. Successful bidders shall also sign an affidavit affirming that it does not knowingly employ any person who is an unauthorized alien in connection to the contracted services.
18. Safety Standards and Accident Prevention: With respect to all work performed under this contract, the contractor shall:
  - a. Comply with the safety standards provisions of applicable laws, building and construction codes, and the "Manual of Accident Prevention in Construction" published by the Associated General Contractors of America, the requirements of the Occupational Safety and Health Act of 1970 (Public Law 91-596), and the requirements of Title 29 of the Code of Federal Regulations, Section 1518 as published in the "Federal Register", Volume 36, No. 75, Saturday, April 17, 1971.
  - b. Exercise every precaution at all times for the prevention of accidents and the protection of persons (including employees) and property.
  - c. Maintain at his office or other well known place at the job site, all articles necessary for giving first aid to the injured, and shall make arrangements for the immediate removal to a hospital or a doctor's care of persons (including employees), who may be injured on the job

site. In no case shall employees be permitted to work at a job site before the employer has made a standing arrangement for removal of injured persons to a hospital or a doctor's care.

- d. Bidders are informed that the Project is subject to the requirements of Section 292.675, RSMo, which requires all contractors or subcontractors doing work on the Project to provide, and require its on-site employees to complete, a ten (10) hour course in construction safety and health approved by the Occupational Safety and Health Administration ("OSHA") or a similar program approved by the Missouri Department of Labor and Industrial Relations which is at least as stringent as an approved OSHA program. The training must be completed within sixty (60) days of the date of work on the Project commences. On-site employees found on the worksite without documentation of the required training shall have twenty (20) days to produce such documentation.

COMMUNITY DEVELOPMENT BLOCK GRANT REGULATIONS  
**BONDING AND INSURANCE REQUIREMENTS**

A state or local unit of government receiving a grant from the Federal government, which requires contracting for construction or facility improvement, shall follow its own requirements relating to bid guarantees, performance bonds, and payment bonds, except for contracts or subcontracts exceeding \$25,000. For contracts or subcontracts exceeding \$25,000, the Federal agency may accept the bonding policy and requirements of the grantee provided the Federal agency has made a determination that the Government's interest is adequately protected. If such a determination has not been made, the minimum requirements shall be as follows:

1. A bid guarantee from each bidder equivalent to five percent of the bid price. The bid guarantee shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.
2. A performance bond on the part of the contractor for 100 percent of the contract price. A performance bond is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.
3. A payment bond on the part of the contractor for 100 percent of the contract price. A payment bond is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

## BID BOND

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned, \_\_\_\_\_  
as Principal, and \_\_\_\_\_ as Surety, are hereby held and firmly bound unto  
\_\_\_\_\_ as owner in the penal sum of \_\_\_\_\_ for  
the payment of which, well and truly to be made, we hereby jointly and severally bind ourselves, our  
heirs, executors, administrators, successors and assigns, this \_\_\_\_\_ day of \_\_\_\_\_,  
20 \_\_\_\_.

The condition of the above obligation is such that whereas the Principal has submitted to  
\_\_\_\_\_ a certain Bid, attached hereto and hereby made a part hereof to enter  
into a contract in writing, for the \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

NOW, THEREFORE,

1. If said Bid shall be rejected, or in the alternate,
2. If said Bid shall be accepted and the Principal shall execute and deliver a contract in the Form  
of Contract attached hereto (properly completed in accordance with said Bid) and shall furnish  
a bond for his faithful performance of said contract, and for the payment of all persons  
performing labor or furnishing materials in connection therewith, shall in all other respects  
perform the agreement created by the acceptance of said Bid, then this obligation shall be void,  
otherwise the same shall remain in force and effect; it being expressly understood and agreed  
that the liability of the Surety for any and all claims hereunder shall, in no event, exceed the  
penal amount of this obligation as herein stated.

The Surety, for value received, hereby stipulates and agrees that the obligations of said Surety and its  
bond shall be in no way impaired or affected by the extension of the time within which the Owner may  
accept such Bid; and said Surety does hereby waive notice of any such extension.

IN WITNESS WHEREOF, the Principal and the Surety have hereunto set their hands and seals, and  
such of them as are corporations have caused their corporate seals to be hereto affixed and these  
presents to be signed by their proper officers, the day and year first set forth above.

\_\_\_\_\_ (L.S.)

Principal

SEAL

By: \_\_\_\_\_

## BID FOR UNIT PRICE CONTRACTS

Place \_\_\_\_\_

Date \_\_\_\_\_

Project No. \_\_\_\_\_

Proposal of \_\_\_\_\_ (hereinafter called "Bidder") \* a corporation, organized and existing under the laws of the State of \_\_\_\_\_, \* a partnership, or an individual doing business as \_\_\_\_\_.

To the \_\_\_\_\_ (hereinafter called "Owner")

Gentlemen:

The Bidder, in compliance with your invitation for bids for the construction of a \_\_\_\_\_ having examined the plans and specifications with related documents and the site of the proposed work, and being familiar with all of the conditions surrounding the construction of the proposed project including the availability of materials and labor, hereby proposes to furnish all labor, materials, and supplies, and to construct the project in accordance with the contract documents, within the time set forth therein, and at the prices stated below. These prices are to cover all expenses incurred in performing the work required under the contract documents, of which this proposal is a part.

Bidder hereby agrees to commence work under this contract on or before a date to be specified in written "Notice of Proceed" of the Owner and to fully complete the project within consecutive calendar days thereafter as stipulated in the specifications. Bidder further agrees to pay as liquidated damages, the sum of \$ \_\_\_\_\_ for each consecutive calendar day thereafter as hereinafter provided in Paragraph 15 of the General Conditions.

Bidder acknowledges receipt of the following addendum:

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\* Insert corporation, partnership, or individual as applicable.

## BID FOR UNIT PRICE CONTRACTS (CONTINUED)

Bidder agrees to perform all the \_\_\_\_\_ work described in the specifications and shown on the plans, for the following unit price:

<u>Item No.</u>	<u>Est. Qty.</u>	<u>Description</u>	<u>Unit Price (Each)</u>	<u>Total</u>
1	_____	_____	Dollars & Cents (\$ _____ )	Dollars & Cents (\$ _____ )
2	_____	_____	Dollars & Cents (\$ _____ )	Dollars & Cents (\$ _____ )
3	_____	_____	Dollars & Cents (\$ _____ )	Dollars & Cents (\$ _____ )
TOTAL LUMP SUM BID _____				

(Amounts are to be shown in both words and figures. In case of discrepancy, the amount shown in words will govern).

The above unit prices shall include all labor, materials, bailing, shoring, removal, overhead, profit, insurance, etc., to cover the finished work of the several kinds called for. Changes shall be processed in accordance with paragraph 13 of the General Conditions.

Bidder understands that the Owner reserves the right to reject any or all bids and to waive any informalities in the bidding.

The bidder agrees that this bid shall be good and may not be withdrawn for a period of 90 calendar days after the scheduled closing time for receiving bids.

Upon receipt of written notice of the acceptance of this bid, bidder will execute the formal contract attached within 15 days and deliver a Surety Bond or Bonds as required by Paragraph 22 of the General Conditions. The bid security attached in the sum of \_\_\_\_\_ (\$ \_\_\_\_\_ ) is to become the property of the Owner in the event the contract and bond are not executed within the time above set forth, as liquidated damages for the delay and additional expense to the Owner caused thereby.

Respectfully submitted:

(SEAL - if bid is by a corporation)

By \_\_\_\_\_

(Title)

(Business Address and Zip Code)

## BIDDER QUALIFICATIONS

**Firm Name:** \_\_\_\_\_  
(Company Name)

(Address) \_\_\_\_\_ (City, State, Zip Code) \_\_\_\_\_

(Phone Number) \_\_\_\_\_ (Fax Number) \_\_\_\_\_ (E-mail) \_\_\_\_\_

Date: \_\_\_\_\_

**Construction Capabilities:** (Check all that apply)

- General Contracting       Electrical       Plumbing  
 HVAC       Demolition       Earthmoving  
 Asbestos Abatement       Other: \_\_\_\_\_

**For Corporations Only:**

Federal ID Number: \_\_\_\_\_

Name of State(s) in which incorporated: \_\_\_\_\_

Date(s) of incorporation: \_\_\_\_\_

If not incorporated in Missouri:

5. Attach Certificate of Authority to do Business in Missouri

6. Certificate Number: \_\_\_\_\_ Date: \_\_\_\_\_

(President's Name) \_\_\_\_\_ (Vice-President's Name) \_\_\_\_\_

(Secretary's Name) \_\_\_\_\_ (Treasurer's Name) \_\_\_\_\_

**For Partnerships Only:** Date of Organization: \_\_\_\_\_

Type of Partnership:       General       Limited       Association

Names and Addresses of all partners: (use additional sheet if necessary)

1. \_\_\_\_\_  
(Name) \_\_\_\_\_ (Address) \_\_\_\_\_ (City, State, Zip Code) \_\_\_\_\_

2. \_\_\_\_\_  
(Name) \_\_\_\_\_ (Address) \_\_\_\_\_ (City, State, Zip Code) \_\_\_\_\_

**General Information:**

Federal ID Number: \_\_\_\_\_ or SSN: \_\_\_\_\_

Percent of work done by Contractor: \_\_\_\_\_ Number of Permanent Employees: \_\_\_\_\_

Number of years in business: \_\_\_\_\_

Geographical limits of operation: \_\_\_\_\_

If you have done business under a different name, please give name and location: \_\_\_\_\_

Has firm ever failed to complete a project or defaulted on a contract? If so, state where and why:  
\_\_\_\_\_  
\_\_\_\_\_

**Date:** Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

**Signatures:**

Individual       Partnership       Joint Venture       Corporation

Business Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax Number: \_\_\_\_\_

Federal ID Number: \_\_\_\_\_ Social Security Number: \_\_\_\_\_

Incorporated under the laws of the State of: \_\_\_\_\_

(If a corporation organized in a state other than Missouri, attach certificate of Authority to do business in the State of Missouri.)

\_\_\_\_\_  
(Bidder's Signature)

\_\_\_\_\_  
(Corporate Secretary's Signature and Seal)

\_\_\_\_\_  
(Typed or Printed Name of Signor)

\_\_\_\_\_  
(Seal)

\_\_\_\_\_  
(Partner/Joint Venture Signature)

\_\_\_\_\_  
(Typed or Printed Name of Signor)

## **CERTIFICATION OF BIDDER REGARDING EQUAL EMPLOYMENT OPPORTUNITY**

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### INSTRUCTIONS

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This certification is required pursuant to Executive Order 11246 (30 F. R. 12319-25). The implementing rules and regulations provide that any bidder or prospective contractor, or any of their proposed subcontractors, shall state as an initial part of the bid or negotiations of the contract whether it has participated in any previous contract or subcontract subject to the equal opportunity clause, and, if so, whether it has filed all compliance reports due under applicable instructions.

Where the certification indicates that the bidder has not filed a compliance report due under applicable instructions, such bidder shall be required to submit a compliance report within seven calendar days after bid opening. No contract shall be awarded unless such report is submitted.

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### CERTIFICATION BY BIDDER

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NAME AND ADDRESS OF BIDDER (Include ZIP Code):

- 
1. Bidder has participated in a previous contract or subcontract subject to the Equal Opportunity Clause.  
 YES       NO
  2. Compliance reports were required to be filed in connection with such contract or subcontract.  
 YES       NO
  3. Bidder has filed all compliance reports due under applicable instructions.  
 YES       NO
  4. Have you ever been or are you being considered for sanction due to violation of Executive Order 11246, as amended?  
 YES       NO

---

NAME AND TITLE OF SIGNER (Please type):

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SIGNATURE

DATE

## CERTIFICATION OF BIDDER REGARDING SECTION 3 AND SEGREGATED FACILITIES

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Name of Prime Contractor

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Project Name & Number

The undersigned hereby certifies that:

1. Section 3 provisions are included in the Contract.
2. A written Section 3 plan was prepared and submitted as part of the bid proceedings (if bid equals or exceeds \$100,000).
3. No segregated facilities will be maintained as required by Title VI of the Civil Rights Act of 1964.

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Name & Title of Signer (Print or Type):

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Signature

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Date

## **INFORMATION REGARDING THE USE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES (MBE/WBE)**

### **Procedures for Implementation of 40 CFR Part 31.136(e) (Minority Business Enterprise/Women's Business Enterprise)**

Each bidder must fully comply with the requirements, terms, and conditions of the Federal policy to award a fair share of sub agreements to minority and women's businesses. The bidder commits itself to taking affirmative actions contained herein, prior to submission of bids or proposals.

#### Affirmative Actions

- 1 When feasible, segmenting total work requirements to permit maximum MBE/WBE participation.
2. Assuring that MBEs and WBEs are solicited whenever they are potential sources of goods or services. This activity may include:
  - a. Sending letters or making other personal contacts with MBEs and WBEs (contact CDBG for website information) or other MBE/WBEs known to the bidder. MBEs and WBEs should be contacted when other potential subcontractors are contacted, within reasonable time (fifteen days) prior to bid submission or closing date for receipt of initial offers. Those letters or other contacts should communicate the following:
    - i. Specific description of the work to be subcontracted;
    - ii. How and where to obtain a copy of plans and specifications or other detailed information needed to prepare a detailed price quotation;
    - iii. Date quotation is due to the bidder;
    - iv. Name, address, and phone number of the person in the bidder's firm whom the prospective MBE/WBE subcontractor should contact for additional information.
  - b. Sending letters or making other personal contacts with local, state, Federal, and private agencies and MBE/WBE associations relevant to the project. Such contacts should provide the same information provided in the direct contacts to MBE and WBE firms.
3. Establishing delivery schedules, if feasible, which will encourage participation by MBEs and WBEs.

#### Determination of Compliance

It is to be noted that bidders must demonstrate compliance with MBE/WBE requirements to be deemed responsible. Demonstration of compliance shall include, but is not limited to, the following information:

1. Names, addresses, and phone numbers of MBE/WBEs expected to perform work;
2. Work to be performed by the MBEs and WBEs;
3. Aggregate dollar amount of work to be performed by MBEs and WBEs, showing aggregate to MBEs and aggregate to WBEs separately;
4. Description of contacts to MBE and WBE organizations, agencies, and associates which serve MBE/WBEs, including names of organizations, agencies, and associations, and date of contacts;

5. Description of contacts to MBEs and WBEs, including number of contacts, fields, (i.e. equipment or material supplier, excavators, transport services, electrical subcontractors, plumbers, etc.) and date of contacts.

To demonstrate compliance, all bidders must complete the following Minority and Women's Business Enterprise Utilization Worksheet and submit it to the Owner with their bid.

This form to be submitted with Bid:

**MINORITY AND WOMEN'S BUSINESS ENTERPRISE UTILIZATION  
WORKSHEET**

Grant Applicant \_\_\_\_\_

Project Number \_\_\_\_\_

Contractor/Engineer \_\_\_\_\_

Address, City, State, and Zip \_\_\_\_\_

Contact Person \_\_\_\_\_ Telephone No \_\_\_\_\_

Amount of Contract \_\_\_\_\_ MBE Percentage \_\_\_\_\_ WBE Percentage: \_\_\_\_\_

1. MBE \_\_\_\_\_ Subcontractor \_\_\_\_\_

WBE \_\_\_\_\_ Address, City, State, Zip \_\_\_\_\_

Contact Person \_\_\_\_\_

Amount of Subcontract \_\_\_\_\_ Tax ID Number \_\_\_\_\_

Scope Of Work \_\_\_\_\_  
\_\_\_\_\_

2. MBE \_\_\_\_\_ Subcontractor \_\_\_\_\_

WBE \_\_\_\_\_ Address, City, State, Zip \_\_\_\_\_

Contact Person \_\_\_\_\_

Amount of Subcontract \_\_\_\_\_ Tax ID Number \_\_\_\_\_

Scope Of Work \_\_\_\_\_  
\_\_\_\_\_

3. MBE \_\_\_\_\_ Subcontractor \_\_\_\_\_

WBE \_\_\_\_\_ Address, City, State, Zip \_\_\_\_\_

Contact Person \_\_\_\_\_

Amount of Subcontract \_\_\_\_\_ Tax ID Number \_\_\_\_\_

Scope Of Work \_\_\_\_\_  
\_\_\_\_\_

4. MBE \_\_\_\_\_ Subcontractor \_\_\_\_\_

WBE \_\_\_\_\_ Address, City, State, Zip \_\_\_\_\_

Contact Person \_\_\_\_\_

Amount of Subcontract \_\_\_\_\_ Tax ID Number \_\_\_\_\_

Scope Of Work \_\_\_\_\_  
\_\_\_\_\_

## **BIDDER**

### **SECTION 3 PLAN FORMAT**

If award is received, \_\_\_\_\_ (name of contractor) \_\_\_\_\_ agrees to implement the following specific affirmative action steps directed at increasing the utilization of lower income residents and businesses within the City/County of \_\_\_\_\_.

1. To ascertain from the locality's CDBG program official the exact boundaries of the Section 3 covered project area, and where advantageous, seek the assistance of local officials in preparing and implementing the affirmative action plan.
2. To attempt to recruit from within the city the necessary number of lower income residents through local advertising media, signs placed at the proposed site for the project, and community organizations, and public or private institutions operating within or serving the project area, such as Service Employment and Redevelopment (SER), Opportunities Industrialization Center (OIC), Urban League, Concentrated Employment Program, Hometown Plan, or the U.S. Employment Service.
3. To maintain a list of all lower income area residents who have applied either on their own or on referral from any source, and to employ such persons, if otherwise eligible and if a vacancy exists.
4. To insert the Section 3 Contract Provisions clause in all subcontracts over \$100,000, to obtain Tables A and B from said subcontractors, and to obtain all documentation for completion of Tables C and D prior to final payment. (Loans, grants, contracts, and subsidies for less than \$100,000 will be exempt.)
5. To contact unions, subcontractors, and trade associations to secure their cooperation for this program.
6. To ensure that all appropriate project area business concerns are notified of pending sub contractual opportunities.
7. To maintain records, including copies of correspondence, memoranda, etc., which document that all of the above affirmative action steps have been taken.
8. To appoint or recruit an executive official of the company or agency as Equal Opportunity Officer to coordinate the implementation of this Section 3 plan.
9. To list on Table A, information related to proposed subcontracts to be awarded to Section 3 businesses.
10. To list on Table B, all projected workforce needs for all phases of this project by occupation, trade, skill level, and number of positions.
11. If successful bidder, to submit prior to final payment Tables C and D to city/county grantees which includes all applicable hires and subcontractors utilized on this project.

As officers and representatives of \_\_\_\_\_,  
(Name of Bidder)

we, the undersigned, have read and fully agree to this Affirmative Action Plan, and become a party to the full implementation of this program.

---

Signature

---

Title

---

Date

---

Signature

---

Title

---

Date

**TABLE A**  
**BIDDER'S PROPOSED SECTION 3 CONTRACTS/SUBCONTRACTS**

### Section 3 Business Concern

A business concern, which is located in or owned in substantial part (at least 51%) by persons residing in the same non-metropolitan county as the project.

## Company

## Project Name

## Project Number

## Person Completing Form

Date

**TABLE B**  
**BIDDER'S SECTION 3 ESTIMATED NEW HIRES**

Job Category	Estimated Total Positions Needed for Project	No. of Positions Occupied by Permanent Employees	No. of Positions Not Occupied	No. of Positions to be Filled with Section 3 Residents
Officer/Supervisors				
Professionals				
Technical				
Hsq Sales/Rental Mgmt.				
Office/Clerical				
Service Workers				
Others				
TRADE:				
Journeymen				
Helpers				
Apprentices				
Trainees				
Others				
TRADE:				
Journeymen				
Helpers				
Apprentices				
Trainees				
Others				

Section 3 Resident

Individual residing within the non-metropolitan county in which the Section 3 covered project is located and whose income does not exceed 80% of the higher of the median income, adjusted by family size, for the county of residence of the non-metropolitan of the state.

Company \_\_\_\_\_

Project Name \_\_\_\_\_

Project Number \_\_\_\_\_

Person Completing Form \_\_\_\_\_

Date \_\_\_\_\_

**TABLE C**  
**CONTRACTOR'S SECTION 3 NEW HIRES REPORT**

Job Category	Estimated Total Positions Needed for Project	No. of Positions Occupied by Permanent Employees	No. of Positions Not Occupied	No. of Positions to be Filled with Section 3 Residents
Officer/Supervisors				
Professionals				
Technical				
Hsq Sales/Rental Mgmt.				
Office/Clerical				
Service Workers				
Others				
TRADE:				
Journeymen				
Helpers				
Apprentices				
Trainees				
Others				
TRADE:				
Journeymen				
Helpers				
Apprentices				
Trainees				
Others				

Section 3 Resident

Individual residing within the non-metropolitan county in which the Section 3 covered project is located and whose income does not exceed 80% of the higher of the median income, adjusted by family size, for the county of residence of the non-metropolitan of the state.

Company \_\_\_\_\_

Project Name \_\_\_\_\_

Project Number \_\_\_\_\_

Person Completing Form \_\_\_\_\_

Date \_\_\_\_\_

**TABLE D**  
**CONTRACTOR'S SECTION 3 BUSINESS UTILIZATION REPORT**

Project Number	Prime Contractor		Address		Contract Amount		Federal ID No.
Name of Subcontractor	Section 3 Businesses*	Address and Phone Number	Trade, Service, or Supply	Contract Amount	Award Date	Competitive or Negotiated Bid	Federal Identification No.

\* Check if a Section 3 Business Concern

Section 3 Business Concern

Total Dollar Amount Awarded to Section 3 Businesses \$ \_\_\_\_\_

A business concern which is located in or owned in substantial part (at least 51%) by persons residing in the same non-metropolitan county as the project

## CERTIFICATION BY PROPOSED SUBCONTRACTOR REGARDING EQUAL EMPLOYMENT OPPORTUNITY

---

NAME OF PRIME CONTRACTOR

PROJECT NUMBER

---

### INSTRUCTIONS:

The certification is required pursuant to Executive Order 11246 (30 F.R. 12319-25). The implementing rules and regulations provide that any bidder or prospective contractor, or any of their proposed subcontractors, shall state as an initial part of the bid or negotiations of the contract whether it has participated in any previous contract or subcontract subject to the equal opportunity clause; and, if so, whether it has filed all compliance reports due under applicable instructions.

Where the certification indicates that the subcontractor has not filed a compliance report due under applicable instructions, such subcontractor shall be required to submit a compliance report before the owner approves the subcontract or permits work to begin under the subcontract.

---

### SUBCONTRACTOR'S CERTIFICATION

---

NAME AND ADDRESS OF SUBCONTRACTOR (Include ZIP Code):

---

1. Bidder has participated in a previous contract or subcontract subject to the Equal Opportunity Clause.

YES       NO

---

2. Compliance reports were required to be filed in connection with such contract or subcontract.

YES       NO

---

3. Bidder has filed all compliance reports due under applicable instructions.

YES       NO

---

4. Have you ever been or are you being considered for sanction due to violation of Executive Order 11246, as amended?

YES       NO

---

---

NAME AND TITLE OF SIGNER (Please type):

---

SIGNATURE:

---

DATE:

---

## CERTIFICATION OF PROPOSED SUBCONTRACTOR REGARDING SECTION 3 AND SEGREGATED FACILITIES

---

Name of Sub Contractor

Project Name & Number

The undersigned hereby certifies that:

1. Section 3 provisions are included in the Contract.
2. A written Section 3 plan was prepared and submitted as part of the bid proceedings (if bid equals or exceeds \$100,000).
3. No segregated facilities will be maintained as required by Title VI of the Civil Rights Act of 1964.

---

Name & Title of Signer (Print or Type)

---

Signature

---

Date

## SAMPLE ANTI-LOBBYING CERTIFICATION

Section 319 of Public Law 101-121 prohibits recipients of Federal contracts, grants, and loans from using appropriated funds for lobbying the Executive or Legislative branches of the Federal Government in connection with a specific contract, grant, cooperative agreement, or loan.

The Federal Register (page 52070, dated December 20, 1989) specifically forbids the Department of Housing and Urban Development (HUD) from awarding contracts, grants, cooperative agreements, or loans unless the recipient has made an acceptable certification regarding lobbying.

This new requirement has since been narrowed to signed certifications for all awards of Federal funds over \$100,000. This begins with the State's grant and applies to all grantees, contractors, subcontractors, suppliers, etc. for all contracts, grants, cooperative agreements, or loans over \$100,000.

Failure of the grantee to obtain this certification from all awards of \$100,000 or more will result in a program finding and suspended disbursement of Federal funds for the applicable activity or contract.

A copy of this certification can be found on the following page.

## **CERTIFICATION REGARDING GOVERNMENT-WIDE RESTRICTION ON LOBBYING**

(For contracts, grants, cooperative agreements, and loans over \$100,000)

The undersigned certifies, to the best of his knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards (at all tiers, including contracts under grants, loans, and cooperative agreements, subcontracts, and subgrants) over \$100,000, and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

---

Name of Entity (city, county, contractor, etc.)

---

Name of Certifying Official (Mayor, Presiding Commissioner, President, etc.)

---

Signature of Certifying Official

---

Date

## PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS: that

---

(Name of Contractor)

---

(Address of Contractor)

a \_\_\_\_\_, hereinafter called Principal, and  
(Corporation, Partnership or Individual)

---

(Name of Surety)

---

(Address of Surety)

hereinafter called Surety, are held and firmly bound unto

---

(Name of Owner)

---

(Address of Owner)

hereinafter called OWNER in the total aggregate penal sum of \_\_\_\_\_

Dollars (\$ \_\_\_\_\_ ) in lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION is such that whereas, the Principal entered into a certain CONTRACT with the OWNER, dated the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_, a copy of which is hereto attached and made a part hereof for the construction of:

NOW, THEREFORE if the Principal shall well, truly and faithfully perform its duties, all the undertakings, covenants, terms, conditions and agreements of said CONTRACT during the original term thereof, and any extensions thereof which may be granted by the OWNER with or without notice to the SURETY and during the one year guaranty period and if the PRINCIPAL shall satisfy all claims and demands incurred under such CONTRACT, and shall fully indemnify and save harmless the OWNER from all costs and damages which it may suffer by reason of failure to do so, and shall reimburse and repay the OWNER all outlay and expense which the OWNER may incur in making good any default, then this obligation shall be void, otherwise to remain in full force and effect.

PROVIDED, FURTHER, that the said SURETY, for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the CONTRACT or to WORK to be performed thereunder or the SPECIFICATIONS accompanying same shall in any way affect its obligation on this BOND, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the CONTRACT or to the WORK or to the SPECIFICATIONS.

PROVIDED, FURTHER, that it is expressly agreed that the BOND shall be deemed amended automatically and immediately, without formal and separate amendments hereto, upon amendment to the CONTRACT not increasing the CONTRACT price more than 20 percent, so as to bind the PRINCIPAL and the SURETY to the full and faithful performance of the CONTRACT as so amended. The term "Amendment", wherever used in this BOND, and whether referring to this BOND, the CONTRACT or the Loan Documents shall include any alteration, addition, extension, or modification of any character whatsoever.

PROVIDED, FURTHER that no final settlement between the OWNER and the PRINCIPAL shall abridge the right of the other beneficiary hereunder, whose claim may be unsatisfied. The OWNER are the only beneficiaries hereunder.

IN WITNESS WHEREOF, this instrument is executed in \_\_\_\_\_ counterparts, each one of which  
(Number)

shall be deemed an original, this the \_\_\_\_\_ day of \_\_\_\_\_.

ATTEST:

---

Principal

---

(Principal) Secretary

(SEAL)

By \_\_\_\_\_

---

---

(Witness as to Principal)

---

(Address)

---

(Address)

---

Surety

ATTEST:

---

Witness to Surety

BY \_\_\_\_\_

Attorney-in-Fact

---

(Address)

---

(Address)

NOTE: Date of BOND must not be prior to date of CONTRACT.

If CONTRACTOR is partnership, all partners should execute BOND.

IMPORTANT: Surety companies executing BONDS must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the state where the project is located.

## PAYMENT BOND

KNOW ALL PERSONS BY THESE PRESENTS: that

---

(Name of Contractor)

---

(Address of Contractor)

a \_\_\_\_\_, hereinafter called Principal, and  
(Corporation, Partnership or Individual)

---

(Name of Surety)

hereinafter called Surety, are held and firmly bound unto

---

(Name of Owner)

---

(Address of Owner)

hereinafter called OWNER, and unto all persons, firms and corporations who or which may furnish labor, or who furnish materials to perform as described under the CONTRACT and to their successors and assigns in the total aggregate penal sum of \_\_\_\_\_

Dollars (\$ \_\_\_\_\_ )in lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION is such that whereas, the PRINCIPAL entered into a certain CONTRACT with the OWNER, dated the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_, a copy of which is hereto attached and made a part hereof for the construction of:

NOW, THEREFORE, if the PRINCIPAL shall promptly make payment to all persons, firms and corporations furnishing materials for or performing labor in the prosecution of the WORK provided for in such CONTRACT, and any authorized extensions or modification thereof, including all amounts due for materials, lubricants, oil, gasoline, coal, repairs on machinery, equipment and tools, consumed or used in connection with the construction of such WORK and for all labor cost incurred in such WORK including that by a SUBCONTRACTOR, and to any mechanic or materialman lienholder whether it acquires its lien by operation of State or Federal law; then this obligation shall be void, otherwise to remain in full force and effect.

PROVIDED, that beneficiaries or claimants hereunder shall be limited to the SUBCONTRACTORS, and persons, firms, and corporations having a direct contract with the PRINCIPAL or its SUBCONTRACTORS.

PROVIDED, FURTHER, that the said SURETY for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the CONTRACT or to the WORK to be performed thereunder or the SPECIFICATIONS accompanying the same shall in any way affect its obligation on this BOND, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of this CONTRACT or to the WORK or to the SPECIFICAITONS.

PROVIDE, FURTHER, that no suit or action shall be commenced hereunder by any claimant: (a) Unless claimant, other than one having a direct CONTRACT with the PRINCIPAL (or with the GOVERNMENT in the event the GOVERNMENT is performing the obligations of the OWNER), shall have given written notice to any two of the following: the PRINCIPAL, the OWNER, or the SURETY above named within ninety (90) days after such claimant did or performed the last of the WORK or labor, or furnished the last of the materials for which said claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were furnished, or for whom the WORK or labor was done or performed. Such notice shall be served by mailing the same by registered mail or certified mail, postage prepaid, in an envelope addressed to the PRINCIPAL, OWNER, or SURETY, at any place where an office is regularly maintained for the transaction of business, or served in any manner in which legal process may be served in the state in which the aforesaid project is located, save that such service need not be made by a public officer. (b) After the expiration of one (1) year following the date of which PRINCIPAL ceased WORK on said CONTRACT, is being understood, however, that if any limitation embodied in the BOND is prohibited by law controlling the construction hereof, such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

PROVIDED, FURTHER, that it is expressly agreed that this BOND shall be deemed amended automatically and immediately, without formal and separate amendments hereto, upon amendment to the CONTRACT not increasing the CONTRACT price more than 20 percent, so as to bind the PRINCIPAL and the SURETY to the full and faithful performance of the CONTRACT as so amended. The term "Amendment", wherever used in this BOND and whether referring to this BOND, the CONTRACT or the loan Documents shall include any alteration, addition, extension or modification of any character whatsoever.

PROVIDED, FURTHER, that no final settlement between the OWNER or GOVERNMENT and the CONTRACTOR shall abridge the right of any beneficiary hereunder, whose claim may be unsatisfied.

IN WITNESS WHEREOF, this instrument is executed in \_\_\_\_\_ counterparts, each one of which  
(Number)

shall be deemed an original, this the \_\_\_\_\_ day of \_\_\_\_\_.

ATTEST:

---

Principal

---

(Principal) Secretary

(SEAL)

By \_\_\_\_\_  
\_\_\_\_\_

---

(Witness as to Principal)

---

(Address)

---

(Address)

---

Surety

ATTEST:

---

Witness to Surety

BY \_\_\_\_\_  
Attorney-in-Fact

---

(Address)

---

(Address)

NOTE: Date of BOND must not be prior to date of CONTRACT

If CONTRACTOR is partnership, all partners should execute BOND. IMPORTANT: Surety companies executing BONDS must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the State where the Project is located.

## CONTRACT

THIS AGREEMENT, made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, by and between

\_\_\_\_\_.  
(Corporate Name and Owner)

Herein through its \_\_\_\_\_, and  
(Title of Authorized Official)

*STRIKE OUT* (a corporation) (a partnership)

*INAPPLICABLE\** (an individual doing business as \_\_\_\_\_)  
of \_\_\_\_\_, County of \_\_\_\_\_, and State of \_\_\_\_\_,  
\_\_\_\_\_, Hereinafter called "Contractor."

WITNESSETH: That for and in consideration of the payments and agreements hereinafter mentioned, to be made and performed by the OWNER, the CONTRACTOR hereby agrees with the OWNER to commence and complete the construction described as follows:

Hereinafter called the project, for the sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) and all extra work in connection therewith, under the terms as stated in the General and Special Conditions of the Contract; and at his (its or their) own proper cost and expense to furnish all the materials, supplies, machinery, equipment, tools, superintendence, labor, insurance, and other accessories and services necessary to complete the said project in accordance with the conditions and prices stated in the Proposal, the General Conditions, Supplemental General Conditions, and Special Conditions of the contract, the plans, which include all maps, plats, blue prints, and other drawings and printed or written explanatory matter thereof, the specifications and contract documents therefore as prepared by \_\_\_\_\_, herein entitled the Architect/Engineer, all of which are made a part hereof and collectively evidence and constitute the contract.

The Contractor hereby agrees to commence work under this contract on or before a date to be specified in a written "Notice to Proceed" of the Owner and to fully complete the project within \_\_\_\_\_ consecutive calendar days thereafter. The Contractor further agrees to pay, as liquidated damages, the sum of \$ \_\_\_\_\_ for each consecutive calendar day thereafter as hereinafter provided in Paragraph 15 of the General Conditions.

The OWNER agrees to pay the CONTRACTOR in current funds for the performance of the contract, subject to additions and deductions, as provided in the General Conditions of the Contract, and to make payments on account thereof as provided in Paragraph 19, "Payments to Contractor," of the General Conditions.

IN WITNESS WHEREOF, the parties to these presents have executed this contract in six (6) counterparts, each of which shall be deemed an original, in the year and day first above mentioned.

(Seal)

ATTEST:

\_\_\_\_\_  
(Owner)

\_\_\_\_\_  
(Secretary)

By \_\_\_\_\_

\_\_\_\_\_  
(Witness)

\_\_\_\_\_  
(Title)

(Seal)

\_\_\_\_\_  
(Contractor)

\_\_\_\_\_  
(Secretary)

By \_\_\_\_\_

\_\_\_\_\_  
(Witness)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Address and Zip Code)

**Note:** Secretary of the Owner should attest. If Contractor is a corporation, Secretary should attest.

## CERTIFICATE OF OWNER'S ATTORNEY

I, the undersigned, \_\_\_\_\_, the duly authorized and acting legal representative of \_\_\_\_\_, do hereby certify as follows:

I have examined the attached contract(s) and surety bonds and the manner of execution thereof, and I am of the opinion that each of the aforesaid agreements has been duly executed by the proper parties thereto acting through their duly authorized representatives; that said representatives have full power and authority to execute said agreements on behalf of the respective parties named thereon; and that the foregoing agreements constitute valid and legally binding obligations upon the parties executing the same in accordance with terms, conditions and provisions thereof.

---

(Signature)

---

(Date)

## **ENGINEER/CONSULTANT'S CERTIFICATION**

### **For Acceptance and Final Payment**

**Owner:** \_\_\_\_\_

**Project No:** \_\_\_\_\_

**Project:** \_\_\_\_\_

**Contractor:** \_\_\_\_\_

**Engineer:** \_\_\_\_\_

**Contract Date:** \_\_\_\_\_

**Date of Completion and Acceptance:** \_\_\_\_\_

The Contractor has notified me that he has completed all work in accordance with the Contract Documents and that it is functioning properly.

I hereby certify that a final inspection of all work under the Contract Documents was conducted by me and to the best of my knowledge; the work has been completed in accordance with the drawings and specifications and is functioning properly.

I have approved all payment estimates, and prepared and received approval of all change orders. I have received the required certifications; instructions for operating the equipment, manuals, and other documents that are applicable to this project from the Contractor and have delivered them to the Owner.

The Owner is now responsible for the security, operation, safety, maintenance, and insurance as applicable to the project. The contractor will warranty all specified work for a period of one year (or a longer period if governed by Missouri Statutes) from this date of completion. Notification has been given to the proper Government agencies that the work is completed.

I recommend, under the provision of the Contract Documents that the Work be accepted and that final payment be made.

Executed by the Engineer on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_ (Typed Name of Engineer)

\_\_\_\_\_ (Signature of Engineer)

(SEAL)

The work described above accepted by the consultant is hereby acknowledged and final payment authorized.

\_\_\_\_\_ (Date)

\_\_\_\_\_ (Owner)

Attest: \_\_\_\_\_

(Clerk)

\_\_\_\_\_ (Name and Title of Official)

(SEAL)

cc: CDBG, Contractor, Owner, Consultant and Rural Development

## **COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

### **GENERAL CONDITIONS**

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#### **1. DEFINITIONS**

The following terms as used in this contract are respectively defined as follows:

- a. "Contractor": A person, firm, or corporation with whom the contract is made by the Owner.
- b. "Subcontractor": A person, firm or corporation supplying labor and materials or only labor for work at the site of the project for, and under separate contract or agreement with the contractor.
- c. "Work on (at) the project": Work to be performed at the location of the project, including the transportation of materials and supplies to or from the location of the project by employees of the Contractor and any Subcontractor.

- d. "Written Notice": Any work to any party of the Agreement relative to any part of this in writing and considered delivered and the service thereof completed, when posted by certified or registered mail to the said party at their last given address, or delivered in person to said party or their authorized representative on the work.

## 2. ADDITIONAL INSTRUCTIONS AND DETAIL DRAWINGS

The Contractor may be furnished additional instructions and detail drawings, by the A/E, as necessary to carry out the work required by the contract documents.

The additional drawings and instructions thus supplied will become a part of the contract drawings. The Contractor shall carry out the work in accordance with the additional detail drawings and instructions.

## 3. SCHEDULE, REPORTS AND RECORDS

The Contractor shall submit to the owner such schedule of quantities and costs, progress schedules, payrolls, reports, estimates, records and other data where applicable as are required by the contract documents for the work to be performed.

Prior to the first partial payment estimate the Contractor shall submit construction progress schedules showing the order in which the Contractor proposes to carry on the work, including dates at which the various parts of the work will be started, estimated date of completion of each part and as applicable.

The dates at which special drawings will be required and respective dates for submission of shop drawings, the beginning of manufacture, the testing and the installation of materials, supplies and equipment.

The Contractor shall also submit a schedule of payments that the Contractor anticipates will be earned during the course of the work.

## 4. DRAWINGS AND SPECIFICATIONS

The intent of the drawings and specifications is that the Contractor shall furnish all labor, materials, tools, equipment and transportation necessary for the proper execution of the work in accordance with the contract documents and all incidental work necessary to complete the project in an acceptable manner, ready for use, occupancy or operation by the owner.

In case of conflict between the drawings and specification, the specification shall govern. Figure dimensions on drawings shall govern over general drawings.

Any discrepancies found between the drawings and specifications and site conditions or any inconsistencies or ambiguities in the drawings or specifications shall be immediately reported to the A/E in writing, who shall promptly correct such inconsistencies or ambiguities in writing. Work done by the Contractor after discovery of such discrepancies, inconsistencies or ambiguities shall be done at the Contractor's risk.

## 5. SHOP DRAWINGS

The Contractor shall provide shop drawings as may be necessary for the prosecution of the work as required by the contract documents. The A/E shall promptly review all shop drawings. The A/E's approval of any shop drawing shall not release the Contractor from responsibility for deviations from the contract documents. The approval of any shop drawing which substantially deviates from the requirement of the contract documents shall be evidenced by a change order.

When submitted for the A/E's review, shop drawings shall bear the Contractor's certification that he has reviewed, checked and approved the shop drawings and that they are in conformance with the requirements of the contract documents.

Portions of the work requiring a shop drawing or sample submission shall not begin until the shop drawing or submission has been approved by the A/E. A copy of each approved shop drawing and each approved sample shall be kept in good order by the Contractor at the site and shall be available to the A/E.

## 6. MATERIALS, SERVICES AND FACILITIES

It is understood that except as otherwise specifically stated in the Contract Documents, the Contractor shall provide and pay for all materials, labor, tools, equipment, water, light, power, transportation, supervision, temporary construction of any nature, and all other services and facilities of any nature whatsoever necessary to execute, complete, and deliver the work within the specified time.

Materials and equipment shall be so stored as to insure the preservation of their quality and fitness for the work. Stored materials and equipment to be incorporated in the work shall be located so as to facilitate prompt inspection.

Manufactured articles, materials and equipment shall be applied, installed, connected, erected, used, cleaned and conditioned as directed by the manufacturer.

Material, supplies and equipment shall be in accordance with samples submitted by the Contractor and approved by the A/E.

Materials, supplies or equipment to be incorporated into the work shall not be purchased by the Contractor or by any Subcontractor subject to a chattel mortgage or under a conditional sale contract or other agreement by which an interest is retained by the seller when a Payment Bond is not required by the contract documents.

## 7. INSPECTION AND TESTING OF MATERIALS

All materials and equipment used in the construction of the project shall be subject to adequate inspection and testing in accordance with generally accepted standards, as required and defined in the contract documents

The Owner shall provide all inspection and testing services not required by the contract documents.

The Contractor shall provide at the Contractor's expense the testing and inspection services required by the contract documents.

If the contract documents, laws, ordinances, rules, regulations or orders of any public authority having jurisdiction require any work to specifically be inspected, tested or approved by someone other than the Contractors, the Contractor will give the A/E timely notice of readiness. The Contractor will then furnish the A/E the required certificates of inspection, testing approval.

Inspections, tests or approvals by the A/E or others shall not relieve the Contractor from the obligations to perform the work in accordance with the requirements of the contract documents.

The A/E and the A/E's representatives will at all times have access to the work. In addition, authorized representatives and agents of any participating Federal or State agency shall be permitted to inspect all work, materials, payrolls, records or personnel, invoices of materials

and other relevant data and records. The Contractor will provide proper facilities for such access and observation of the work and also for any inspection or testing thereof.

If any work is covered contrary to the written instruction of the A/E it must, if requested by the A/E, be uncovered for the A/E's observation and replaced at the Contractor's expense.

If the A/E considers it necessary or advisable that covered work be inspected or tested by others, the Contractor, at the A/E's request, will uncover, expose or otherwise make available for observation, inspection or testing as the A/E may require, that portion of the work in question, furnishing all necessary labor, materials, tools and equipment,. If it is found that such work is defective, the Contractor will bear all the expenses of such uncovering, exposure, observation, inspection and testing and of satisfactory reconstruction, if, however, such work is not found defective, the contractor will be allowed an increase in the contract price or an extension of the contract time, or both, directly attributable to such uncovering, exposure, observation, inspection, testing and reconstruction and an appropriate change order shall be issued.

Authorized representatives and agents of the Department of Housing and Urban Development (HUD) and/or the Department of Economic Development (DED) shall be permitted to inspect all work, materials, payrolls, records of personnel, invoices of materials, and other relevant data and records.

## 8. SUBSTITUTIONS

Whenever a material, article, or piece of equipment is identified on the drawings and specifications by referenced to brand name or catalog numbers, it shall be understood that this is referenced for the purpose of defining the performance or other salient requirements and that other products of equal capacitates, quality and function shall be considered. The Contractor may recommend the substitution of material, article or piece of equipment of equal substance and function for those referred to in the contract documents by referenced to brand name or catalog number, if, in the opinion of the A/E, such material, article or piece of equipment is of equal substance function to that specified, the A/E may approve its substitution and use by the Contractor. Any cost differential shall be deductible from the contract price and the contract documents shall be appropriately modified by change order. The Contractor warrants that if substitutes are approved, no major changes in the function or general design of the project will result. Incidental changes or extra component parts required to accommodate the substitute will be made by the Contractor without a change in the contract price or contract time.

## 9. PATENTS

The Contractor shall pay all applicable royalties and license fees, and shall defend all suits or claims for infringement of any patent rights and save the owner harmless from loss on account thereof, except that the Owner shall be responsible for any such loss when a particular process, design, or product of a particular manufacturer or manufacturers is specified, however, if the Contractor has reason to believe that design, process or product specified is an infringement of a patent, the Contractor shall be responsible for such loss unless the Contractor promptly gives such information to the A/E.

## 10. SURVEYS, PERMITS, AND REGULATIONS

The Owner shall furnish all boundary surveys and establish all base lines for locating the principal component parts of the work together with a suitable number of bench marks adjacent to the work as shown in the contract documents. From the information provided by the Owner, unless otherwise specified in the contract documents, the Contractor shall develop and make all

detail surveys needed for construction such as slope stakes, batter boards, stakes for pipe locations and other working points, lines, elevations and cut sheets.

The Contractor shall carefully preserve bench marks, reference points and stakes and, in case of willful or careless destruction, shall be charged with the resulting expense and shall be responsible for any mistake that may be caused by their unnecessary loss or disturbance.

Permits and licenses of temporary nature necessary for the prosecution of the work shall be secured and paid for by the contractors unless otherwise stated in the supplemental general conditions. Permits, licenses and easements for permanent structures or permanent changes in existing facilities shall be secured and paid for by the owner, unless otherwise specified. The Contractor shall give all notices and comply with all laws, ordinances, rules and regulations bearing on the conduct of the work as drawn and specified. If the Contractor observes that the contract documents are at variance therewith, the Contractor shall promptly notify the A/E in writing, and any necessary changes shall be adjusted as provided in Section 13 changes in the work.

## 11. PROTECTION OF WORK, PROPERTY, PERSONS

The Contractor will be responsible for initiating, maintain and supervising all safety precautions and programs in connection with the work. The Contractor will take all necessary precautions for the safety or, and will provide the necessary protection to prevent damage, injury or loss to all employees on the work and other persons who may be affected thereby, all the work and all materials or equipment to be incorporated therein, whether in storage on or off the site, and other property at the site or adjacent thereto, including trees, shrubs, lawns, walk pavements, roadways, structures and utilities not designated for removal, relocation or replacement in the course of construction. The Contractor shall comply with all pertinent provisions of the Occupational Safety and Health Administration (OSHA) and any State Safety and Health agency requirements.

The Contractor will comply with all applicable laws, ordinances, rules, regulations and orders of any public body having jurisdiction. The Contractor will erect and maintain, as required by the conditions and progress of the work, all necessary safeguards for safety and protections. The Contractor will notify owners of adjacent utilities when prosecution of the work may affect them. The Contractor will remedy all damage, injury or loss to any property caused directly or indirectly, in whole or part, by the Contractor, any Subcontractor or anyone directly or indirectly employed by any of them or anyone whose acts any of them be liable, except damage or loss attributable to the fault of the contract documents or to the acts or omissions of the owner, of the A/E or anyone employed by either of them or anyone for whose acts either of them may be liable, and not attributable, directly or indirectly, in whole or in part, to the fault or negligence of the Contractor.

In emergencies affecting the safety of persons or the work or property at the site or adjacent thereto, the Contractor, without special instructions or authorization from the A/E or owner, shall act to prevent threatened damage, injury or loss. The Contractor will give the A/E prompt written notice of any significant changes in the work or deviations from the contract documents caused thereby and a change order shall thereupon be issued covering the changes and deviations involved.

## 12. SUPERVISION BY CONTRACTOR

The Contractor will supervise and direct the work. He will be solely responsible for the means, methods, techniques, sequences and procedures of construction. The Contractor will employ

and maintain on the work a qualified supervisor or superintendent who shall have been designated in writing by the Contractor or the Contractor's representative at the site. The supervisor shall have full authority to act on behalf of the Contractor and all communications given to the supervisor shall be a binding as if given to the Contractor. The supervisor shall be present on the site at all times as required to perform adequate supervision and coordination of the work.

### 13. CHANGES IN WORK

The Owner may at any time, as need arises, order changes within the scope of the work without invalidating the agreement. If such changes increase or decrease the amount due under the contract documents, or in the time required for performance of the work, an equitable adjustment shall be authorized by change order. Change order shall be used to adjust quantities of installed units which are different than those shown in the bid schedule because of final measurements. Final measurements shall not be considered changes in the work. Final measurements will determine compensation to the Contractor based on unit price shown in bid schedule.

The A/E, also, may at any time, by issuing a field order, make changes in the details of the work. The Contractor shall proceed with the performance of any changes in the work so ordered by the A/E unless the Contractor believes that such field order entitles the Contractor to a change in contract price or time or both, in which event the Contractor shall give the A/E written notice thereof within seven (7) days after the receipt of the ordered change. Thereafter the Contractor shall document the basis for the change in contract price or time within thirty (30) days. The Contractor shall not execute such changes pending the receipt of an executed change order or further instruction from the owner.

### 14. CHANGES IN CONTRACT PRICE

The contract price may be changed only by a change order. The value of any work covered by a change order or any claim for increase or decrease in the contract price shall be determined by one or more of the following methods in the order of precedence listed below.

- a. Unit prices previously approved
- b. An agreed lump sum

### 15. TIME FOR COMPLETION AND LIQUIDATED DAMAGES

The date of beginning and the time for completion of the work are essential conditions of the contract documents and the work embraced shall be commenced on a date specified in the "Notice to Proceed"

The Contractor will proceed with the work at such rate of progress to insure full completion within the contract time. It is expressly understood and agreed, by and between the Contractor and the Owner, that the contract time for the completion of the work described herein is a reasonable time, taking into consideration the average climatic and economic conditions and other factors prevailing in the locality of the work.

If the Contractor shall fail to complete the work within the contract time or extension of time granted by the Owner, then the Contractor will pay to the Owner the amount for liquidated damages as specified in the bid each calendar day that the Contractor shall be in default after the time stipulated in the contract documents.

The Contractor shall not be charged with liquidated damages or any excess cost when the delay in completion of the work is due to the following and the contractor has promptly given written notice of such delay to the Owner or A/E.

To any preference, priority or allocation order duly issued by the Owner.

To unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including but not restricted to, acts of God, or the public enemy, acts of the Owner, acts of another Contractor in the performance of a contract with the owner, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and abnormal and unforeseeable weather; and to any delays of Subcontractors occasioned by any of the causes specified in this article.

## 16. CORRECTION OF WORK

The Contractor shall promptly remove from the premises all work rejected by the A/E for failure to comply with the contract documents, whether incorporated in the construction or not, and the Contractor shall promptly replace and reexecute the work in accordance with the contract documents and without expense to the owner and shall bear the expense of making good all work of other Contractors destroyed or damaged by such removal or replacement.

All removal and replacement work shall be done at the Contractor's expense. If the Contractor does not take action to remove such rejected work within ten (10) days after receipt of written notice, the Owner may remove such work and store the materials at the expense of the Contractor.

## 17. SUBSURFACE CONDITIONS

The Contractor, before bidding the project, has the responsibility to become familiar with the site of the project and the conditions under which work will have to be performed during the construction period.

Excavating for foundations of surface structure: buildings, bridges, tanks, towers, retaining walls and other types of surface structures.

The Contractor shall promptly, and before such conditions are disturbed, except in the event of an emergency, notify the owner by written notice of subsurface or latent physical conditions at the site differing materially from those indicated in the contract documents.

Or unknown physical conditions at the site of unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for the contract documents.

The Owner shall promptly investigate the conditions, and if it is found that such conditions do so materially differ and cause an increase or decrease in the cost of, or in the time required for, performance of the work, an equitable adjustment shall be made and the contract documents shall be modified by a change order. Any claim of the Contractor for adjustment hereinafter shall not be allowed unless the required written notice has been given; provided that the Owner may, if the Owner determines the facts so justify consider and adjust any such claims asserted before the date of the final payment.

Excavating for below-surface structures: water mains, sewers, power and telephone cables and other types of below surface structures.

No extra compensation will be paid for rock excavation or varying geologic features encountered on the project, unless so shown as a bid item in the Bid Schedule for bid.

If man-made hazards are encountered by the Contractor, excluding utilities, which are not visible from the surface, such as buried concrete foundations, buried garbage dumps that cannot be by-passed and requires additional work, then the procedure set forth in (e) will be followed.

#### 18. SUSPENSION OF WORK, TERMINATION AND DELAY

The Owner may suspend the work or any portion thereof for a period of not more than ninety days or such further time as agreed upon by the Contractor, by written notice to the Contractor and the A/E which shall fix the date on which work shall be resumed. The Contractor will resume that work on the date so fixed. The Contractor will be allowed an increase in the contract price or an extension of the contract time, or both, directly attributable to any suspension.

If the Contractor is adjudged a bankrupt or insolvent, or makes a general assignment for the benefit of its creditors, or if a trustee or receiver is appointed for the Contractor or for any of its property, or if Contractor files a petition to take advantage of any debtor's act, or to reorganize under the bankruptcy or applicable laws, or repeatedly fails to supply sufficient skilled workmen or suitable materials or equipment, or repeatedly fails to make promptly payments to Subcontractors or for labor, materials or equipment or disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction of the work or disregards the authority of the A/E, or otherwise violates any provision of the contract documents, then the owner may, without prejudice to any other right or remedy and after giving the Contractor and its surety a minimum of ten (10) days from delivery of a written notice, terminate the services of the Contractor and take possession of the project and of all materials, equipment, tools, construction equipment and machinery thereon owned by the Contractor and finish the work by whatever method the Owner may deem expedient. In such case the Contractor shall not be entitled to receive any further payment until the work is finished. If the unpaid balance of the contract price exceeds the direct and indirect costs of completing the project, including compensation for additional professional services, such excess shall be paid to the Contractor. If such costs exceed such unpaid balance, the Contractor will pay the difference to the owner. Such costs incurred by the Owner will be determined by the A/E and incorporated in a change order.

Where the Contractor's services have been so terminated by the owner, said termination shall not affect any right of the Owner against the Contractor then existing or which may thereafter accrue. Any retention or payment of monies by the owner due the Contractor will not release the Contractor from compliance with the contract documents.

After ten (10) days from delivery of written notice the Contractor and the A/E, the Owner may, without cause and without prejudice to any other right or remedy, elect to abandon the project and terminate the contract. In such case the Contractor shall be paid for all work executed and any expense sustained plus reasonable profit.

If, through no act or fault of the Contractor, the work is suspended for a period of more than ninety (90) days by the Owner or under an order of court or other public authority, or the A/E fails to act on any request for payment within thirty (30) days after its is submitted, or the Owner fails to pay the Contractor substantially the sum approved by the A/E or awarded by arbitrators within thirty (30) days of its approval and presentation, then the Contractor may, after ten (10) days from delivery of written notice to the Owner and the A/E terminate the contract and recover from the Owner payment for all work executed and all expenses sustained. In addition and in lieu of terminating the contract, if the A/E has failed to act on a request for payment or if the owner has failed to make any payment as aforesaid, the Contractor may upon

ten (10) days written notice to the owner and the A/E stop the work until paid all amount then due, in which event and upon resumption of the work, change orders shall be issued for adjusting the contract price or extending the contract time or both to compensate for the costs and delays attributable to the stoppage of the work.

If the performance of all or any portion of the work is suspended, delayed, or interrupted as a result of a failure of the owner or A/E to act within the time specified in the contract documents, or if no time is specified, within a reasonable time, an adjustment in the contract price or an extension of the contract time, or both, shall be made in change order to compensate the Contractor for the costs and delays necessarily caused by the failure of the owner or A/E

The Owner, without terminating the service of the Contractor or written notice to the Surety, through the A/E may withhold – without prejudice to the rights of the Owner under the terms of the agreement – or on account of subsequently discovered evidence, nullify the whole or part of any approved partial payment estimate to such extent as may be necessary to protect the owner from loss on account of: defective work not remedied, claims filed or reasonable evidence indicating probable filing of claims, failure of Contractor to make payments properly to Subcontractors or for material or labor, a reasonable doubt that the work can be completed for the balance then unpaid damages to another Contractor and performance of work in violation of the terms of the contract documents.

#### 19. PAYMENTS TO CONTRACTOR

At least ten (10) days before each progress payment falls due (but not more often than once a month), the Contractor will submit to the A/E a partial payment estimate filled out and signed by the Contractor covering the work performed during the period covered by the partial payment estimate and supported by such data as the A/E may reasonable require. The A/E will, within ten (10) days after receipt of each partial payment estimate, either indicate in writing approval of payment, and present the partial payment estimate to the Owner, or return the partial payment estimate to the Contractor indicating in writing the reasons for refusing to approve payment. In the latter case, the Contractor may make the necessary corrections and resubmit the partial payment estimate. The Owner will, within thirty (30) days of presentation of an approved partial payment estimate pay the Contractor a progress payment on the basis of the approved partial payment estimate less the retainage. The retainage shall be an amount equal to 10% of said estimate until completion and acceptance of the work. The 10% retainage may be reduced by change order if completion and acceptance of the work is delayed due to valid circumstances and the work is usable for its intended purpose by the owner. If reduction in the retainage is approved the remaining retainage shall be an amount sufficient to complete the work.

The request for payment may also include an allowance for the cost of major materials and equipment which are suitable stored either at or near the site. Payment does not relieve the Contractor of his responsibility for the safe keeping of this material and equipment.

Prior to completion and acceptance of the work, the owner, with approval of the A/E and with the concurrence of the Contractor, may use any completed or substantially completed portions of the work. Such use shall not constitute an acceptance of such portions of the work.

The Owner shall have the right to enter the premises for the purpose of doing work not covered by the contract documents. This provision shall not be construed as relieving the Contractor of the sole responsibility for the care and protection of the work, or the restoration of any damaged work except such as may be caused by agents or employees of the owner.

Upon completion and acceptance of the work, the A/E shall issue a certificate attached to the final payment request that the work has been accepted under the conditions of the contract documents. The entire balance found to be due to the Contractors, including the retained percentages, but except such sums as may be lawfully retained by the Owner, shall be paid to the Contractor within thirty (30) days of completion and acceptance of the work. The A/E's certificate of acceptance will be on the document "Consultant's Certification for Acceptance and Final Payment".

The Contractor will indemnify and save the Owner or the Owner's agents harmless from all claims growing out of the lawful demand of Subcontractors, laborers, workmen, mechanics, materialmen and furnishers of machinery and parts thereof, equipment, tools and all supplies incurred in the furtherance of the performance of the work. The Contractor shall, at the Owner's request furnish satisfactory evidence that all obligations of the nature designated above have been paid, discharged, or waived. If the Contractor fails to do so the Owner may, after having notified the Contractor, either pay unpaid bills or withhold from the Contractor's unpaid compensation a sum of money deemed reasonable sufficient to pay any and all such lawful claims until satisfactory evidence is furnished that all liabilities have been fully discharged whereupon payment to the Contractor shall be resumed in accordance with the terms of the contract documents, but in no event shall the provisions of this sentence be construed to impose any obligations upon the Owner to either the Contractor, the Contractor's Surety, or any third party. In paying any unpaid bills of the Contractor, any payment so made by the Owner shall be considered as a payment made under the contract documents by the Owner to the Contractor and the Owner shall not be liable to the Contractor for any such payments made in good faith.

If the Owner fails to make payment thirty (30) days after approval by the A/E, in addition to other remedies available to the Contractor, there shall be added to each such payment interest at the maximum legal rate commencing on the first day after said payment is due and continuing until the payment is received by the Contractor. The legal rate of interest shall be as specified in RSMo 408.020.

In the event that the Missouri Department of Labor and Industrial Relations has determined that a violation of Section 292.675, RSMo, has occurred and that a penalty as described in paragraph 11 shall be assessed, the Owner shall withhold and retain all sums and amounts due and owing when making payments to Contractor under this Contract.

## 20. ACCEPTANCE OF FINAL PAYMENTS AS RELEASE

The acceptance by the Contractor of final payment shall be and shall operate as a release to the Owner of all claims and all liability to the Contractor other than claims in stated amounts as may be specifically excepted by the Contractor for all things done or furnished in connection with this work and for every act and neglect of the Owner and others relating to or arising out of this work. Any payment, however final or otherwise, shall not release the Contractor or its sureties from any obligations under the contract documents or the Performance and Payment Bonds.

## 21. INSURANCE

The Contractor shall purchase and maintain such insurance as will protect it from claims set forth below which may arise out of, or result from, the Contractor's execution of the work, whether such execution be by the Contractor or Subcontractor, or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:

- 1) Claims under workmen's compensation, disability benefit and other similar employee benefit acts;
- 2) Claims for damages because of bodily injury, occupational sickness or disease, or death of employee;
- 3) Claims for damages because of bodily injury, sickness or disease, or death of any person other than employees;
- 4) Claims for damages insured by usual personal injury liability coverage which are sustained (1) by any person as a result of an offense directly or indirectly related to the employment of such person by the Contractor, or (2) by any other person and;
- 5) Claims for damages because of injury to or destruction of tangible property, including loss of use resulting therefrom.

Certificates of Insurance acceptable to the Owner shall be filed with the Owner prior to commencement of the work. These Certificates shall contain a provision that coverages afforded under the policies will not be cancelled unless at least fifteen (15) days prior written notice has been given to the Owner.

The Contractor shall procure and maintain, at the Contractor's own expense, during the contract time, liability insurance as hereinafter specified:

- 1) Contractor's General Public Liability and Property Damage Insurance including vehicle coverage issued to the Contractor and protecting the Contractor from all claims for personal injury, including death, and all claims for destruction of or damage to property, arising out of or in connection with any operations under the contract documents, whether such operations be by the Contractor or by any Subcontractor employed by the Contractor or anyone directly or indirectly employed by the Contractor or by a Subcontractor employed by the Contractor and also to include coverage for Products and/or Completed Operations. Insurance shall be written with a combined single limit for injury and/or property damage liability or not less than \$2,700,000 per occurrence and with an aggregate or not less than \$2,700,000.
- 2) Where the work to be performed under the contract documents involved excavation or other underground work or construction, the Property Damage Insurance provided shall cover all injury to or destruction of property below the surface of the ground, such as wires, conduits, pipes, mains, sewers, etc., caused by the Contractor's operations. Property Damage Insurance shall also cover the collapse of, or structural injury to, any buildings or structure on or adjacent to the Owner's premises, or in injury to or destruction of property resulting therefrom, caused by the removal of other buildings, structures, or supports, or by excavations below the ground where the construction of a new structure or the demolition of an existing structure involves any of the foregoing designated hazards and in all cases where the contract provides for alterations in, additions to, or the underpinning of an existing structure or structures. Before any blasting will be permitted, the Contractor shall be required to obtain a Blasting Endorsement on his Public Liability and Property Damage Insurance Policy.
- 3) The Contractor shall secure Contractor's Contingent or Protective Liability and Property Damage to protect the Contractor from any and all claims arising from the operations of Subcontractor employed by the Contractor. The minimum amounts of such insurance shall be as required for Public Liability and Property Damage Insurance.
- 4) The Contractor shall purchase, maintain and deliver to the Owner a Protective Liability Policy in the name of the Owner for operations of the Contractor or any Subcontractor in

connection with the execution of the agreement. The minimum amounts of such insurance shall be the same as required for Public Liability and Property Damage Insurance.

5) The Contractor shall maintain Automobile Public Liability and Property Damage Insurance to protect the Contractor from any and all claims arising from the use of the following in the execution of the work: a) Contractor's own automobiles and trucks. b) Hired automobiles and trucks. c) Automobiles and trucks not owned by the Contractor. The insurance shall cover the use of the automobiles and trucks both on and off the site of the project. The minimum amounts of such insurance shall be the same as required for Public Liability and Property Damage Insurance.

The Contractor shall procure and maintain, at the Contractor's own expense during the contract time, in accordance with the provisions of the laws of the state in which the work is performed, Workmen's Compensation Insurance, including occupational disease provisions, for all the Contractor's employees at the site of the project and in case any work is sublet, the Contractor shall require such Subcontractor similarly to provide Workmen's Compensation Insurance, including occupational disease provisions for all of the latter's employees unless such employees are covered by the protection afforded by the Contractor. In case any class of employees engaged in hazardous work under this contract at the site of the project is not protected under Workmen's Compensation statute, the Contractor shall provide, and shall cause each Subcontractor to provide, adequate and suitable insurance for the protection of its employees not otherwise protected.

The Contractor shall secure, if applicable, "All Risk" type Builder's Risk Insurance for work to be performed. Unless specifically authorized by the Owner, the amount of such insurance shall not be less than the contract price totaled in the bid. The policy shall cover not less than the losses due to fire, explosion, hail, lightning, vandalism, malicious mischief, wind, collapse, riot, aircraft and smoke during the contract time, and until the work is accepted by the Owner. The policy shall name as the insured, as their interests may appear, the Owner, Contractor, and Subcontractor. This provision shall in no way release the Contractor or Contractor's surety from obligations under the contract documents to fully complete the project.

## 22. CONTRACT SECURITY

The Contractor shall within fifteen (15) days after the receipt of the Notice of Award furnish the Owner with a Performance Bond and Payment Bond in an amount at least equal to one hundred percent (100%) of the contract price, conditioned upon the performance by the Contractor all undertakings, covenants, terms, conditions and agreements of the contract documents, and upon the prompt payment by the Contractor to all persons supplying labor and materials in the prosecution of the work provided by the contract documents. Such bonds shall be executed by the Contractor and a corporate bonding company licensed to transact such business in the state in which the work is to be performed and named on the current list of "Surety Companies Acceptable on Federal Bonds" as published in the Treasury Department Circular Number 570. The expense of these bonds shall be borne by the Contractor. If at any time a surety on any such bond is declared a bankrupt or loses its right to do business the state in which the work is to be performed or is removed from the list of Surety Companies accepted on Federal Bonds, Contractor shall within ten (10) days after notice from the Owner to do so, substitute an acceptable bond (or bonds) in such form and sum and signed by such other surety or sureties as may be satisfactory to the Owner. The premiums on such bond shall be paid by the Contractor. No further payment shall be deemed due nor shall be made until the new surety or sureties shall have furnished an acceptable bond to the Owner.

**23. ASSIGNMENTS**

Neither the Contractor nor the Owner shall sell, transfer, assign, or otherwise dispose of the contract or any portion thereof, or of any right, title or interest therein, or any obligations thereunder, without written consent of the other party.

**24. INDEMNIFICATION**

The Contractor will indemnify and hold harmless the Owner and the A/E and their agents and employees from and against all claims, damages, losses and expenses including attorney's fees arising out of or resulting from the performance of the work, provided that any such claims, damages, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property including the loss of use resulting therefrom; and is caused in whole or in part by any negligent or willful act or omission of the Contractor and Subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable.

**25. SEPARATE CONTRACT**

The Owner reserves the right to let other contracts in connection with this project. The Contractor shall afford other Contractors reasonable opportunity for the introduction and storage of their materials and the execution of their work, and shall properly connect and coordinate the work with theirs. If the proper execution or results of any part of the Contractor's work depends upon the work of any other Contractor, the Contractor shall inspect and promptly report to the A/E any defects in such work that render it unsuitable for such proper execution and results.

The Owner may perform additional work related to the project or the Owner may let other contracts containing provisions similar to these. The Contractor will afford the other Contractors who are parties to such contracts (or the Owner, if the Owner is performing the additional work) reasonable opportunity for the introduction and storage of materials and equipment and the execution of work, and shall properly connect and coordinate the work with theirs.

If the performance of additional work by other Contractors or the Owner is not noted in the contract documents prior to the execution of the contract, written notice thereof shall be given to the Contractor prior to starting any such addition work. If the Contractor believes that the performance of such additional work by the Owner or others involves it in additional expense or entitles it to any extension of the contract time the Contractor may make a claim thereof as provided in Section 14 and 15.

**26. SUBCONTRACTING**

The Contractor may utilize the services of specialty subcontractors on those parts of the work, which, under normal contracting practices, are performed, by specialty subcontractors.

The Contractor shall be fully responsible to the Owner for the acts and omissions of its Subcontractors, and of person either directly or indirectly employed by them, as the Contractor is for the acts and omissions of person directly employed by it.

The Contractor shall cause appropriate provisions to be inserted in all subcontracts relative to the work to bind Subcontractors to the Contractor by the terms of the contract documents insofar as applicable to the work of Subcontractors and give the Contractor the same power as regards terminating any Subcontract that the Owner may exercise over the Contractor under any provision of the contract documents.

Nothing contained in this contract shall create any contractual relation between any Subcontractor and the Owner.

The Contractor will insert in any subcontracts the Federal Labor Standards Provisions contained herein and such other clauses as the Department of Housing and Urban Development may, by instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts which they may enter into, together with a clause requiring this insertion in any further subcontracts that may in turn be made.

**27. ARCHITECT/ENGINEER'S AUTHORITY**

The A/E shall act as the Owner's representative during the construction period, shall decide questions which may arise as the quality and acceptability of materials furnished and work performed, and shall interpret the intent of the contract documents in a fair and unbiased manner. The A/E will make visits to the site and determine if the work is proceeding in accordance with the contract documents.

The Contractor will be held strictly to the intent of the contract documents in regard to the quality of materials, workmanship, and execution of the work. Inspections may be at the factory or fabrication plant of the source of the material supply.

The A/E will not be responsible for the construction means, controls, techniques, sequences, procedures or construction safety.

The A/E shall promptly make decisions relative to interpretation of the contract documents.

The A/E shall be responsible for obtaining an acknowledgement of the "Consultant's Certification for Acceptance and Final Payment" from the Owner before the certifications may take effect.

**28. LANDS AND RIGHT-OF-WAY**

Prior to issuance of Notice to Proceed, the Owner shall obtain all lands and rights-of-way necessary for the carrying out and completion of work to be performed pursuant to the contract documents, unless otherwise mutually agreed.

The Owner shall provide to the Contractor information which delineates and describes the lands owned and right-of-way acquired.

The Contractor shall provide at its own expense and without liability to the Owner any additional land and access thereto that the Contractor may desire for temporary construction facilities, or for storage of materials.

**29. GUARANTEE**

The Contractor shall guarantee all materials and equipment furnished and work performed for a period of one (1) year from the date of completion and acceptance of the work. The Contractor warrants and guarantees for one (1) year from the date of completion and acceptance of the work that the completed work is free from all defects due to faulty materials or workmanship and the Contractor shall promptly make such corrections as may be necessary by reason of such defects including the repairs of any other damages that were caused by defects in the work.

The Owner will give notice of observed defects with reasonable promptness. In the event that the Contractor should fail to make such repairs, adjustments, or other work that may be made necessary by such defects, the Owner may do so and charge the Contractor the cost thereby incurred. In emergency where, in the judgment of the Owner, delay would cause serious loss or damage, repairs and replacement of defects in the work and damage caused by defects may

be made without notice being sent to the Contractor, and the Contractor shall pay the cost thereof. The Performance Bond shall remain in full force and effect through the guarantee period.

**30. REMEDIES**

Except as may be otherwise found in the contract documents, all claims, disputes, counter-claims, and other matters in question between the Owner and Contractor arising out of or related to this agreement or the breach thereof, will be decided by arbitration if the parties hereto mutually agree, or in a court of competent jurisdiction within the state in which the Owner is located.

**31. TAXES**

The Contractor will pay all sales, consumer, use and other similar taxes required by the laws of the place where the work is performed.

A Missouri Sales Tax Exemption is provided for by Missouri State Status 144.062 effective August 28, 1994, which allows for a sales tax exemption to Contractors constructing, repairing or remodeling facilities or purchasing personal property and materials to be incorporated into and consumed in the construction of projects for a tax exemption entity. The tax exempt entity shall furnish a signed exemption certification, authorizing such purchases for the construction, repair or remodeling project, to each Contractor and/or Subcontractor. For further information please contact the Missouri Department of Revenue, P.O. Box 840, Jefferson City, MO 65102, telephone 573-751-2836. Enclosed is a form approved by the Missouri Department of Revenue.

**32. PROVISIONS REQUIRED BY LAW DEEMED INSERTED**

Each and every provision of law and clause required by law to be inserted in this contract shall be deemed to be inserted herein and the contract shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party the contract shall forthwith be physically amended to make such insertion or correction.

**33. PROTECTION OF LIVES AND HEALTH**

The Contractor shall exercise proper precaution at all times for the protection of persons and property and shall be responsible for all damages to persons or property, either on or off the site, which occur as a result of his prosecution of the work. The safety provisions of applicable laws and building and construction codes, in addition to specific safety and health regulations described by Chapter XIII, Bureau of Labor Standards, Department of Labor, Part 1518, Safety and Health Regulations for Construction, as outlined in the Federal Register, Volume 36, No. 75, Saturday, April 17, 1971. Title 29 - LABOR, shall be observed and the Contractor shall take or cause to be taken, such additional safety and health measures as the Contracting Authority may determine to be reasonably necessary.

**Safety Training**

- a. Contractor shall provide a ten (10) hour Occupational Safety and Health Administration (OSHA) construction safety program for all employees who will be on-site at the Project. The construction safety program shall include a course in construction safety and health that is approved by OSHA or a similar program approved by the Missouri Department of Labor and Industrial Relations which is at least as stringent as an approved OSHA program as required by Section 292.675, RSMo.

- b. Contractor shall require its on-site employees to complete a construction safety program within sixty (60) days after the date work on the Project commences.
- c. Contractor acknowledges and agrees that any of Contractor's employees found on the Project site without documentation of the successful completion of a construction safety program shall be required to produce such documentation within twenty (20) days, or will be subject to removal from the Project.
- d. Contractor shall require all of its Subcontractors to comply with the requirements of this Section and Section 292.675, RSMo.

#### **Notice of Penalties for Failure to Provide Safety Training**

- a. Pursuant to Section 292.675, RSMo, Contractor shall forfeit to City as a penalty two thousand five hundred dollars (\$2,500), plus one hundred dollars (\$100.00) for each on-site employee employed by Contractor or its Subcontractor, for each calendar day, or portion thereof, such on-site employee is employed without the construction safety training required in above Paragraph.
- b. The penalty described in Subsection a. of this Section shall not begin to accrue until the time periods described in Paragraph b and c above have elapsed.
- c. Violations of above Paragraph and imposition of the penalty described in this Section shall be investigated and determined by the Missouri Department of Labor and Industrial Relations.

#### **34. INTEREST OF MEMBER OF OR DELEGATE TO CONGRESS**

No member of or Delegate to Congress, or Resident Commissioner, shall be admitted to any share or part of this contract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

#### **35. OTHER PROHIBITED INERESTS**

No official of the Owner who is authorized in such capacity and on behalf of the Owner to negotiate, make, accept, or approve, or to take part in negotiating, making, accepting, or approving any architectural, engineering, inspection, construction, or material supply contract or any subcontract in connection with the construction of the project, shall become directly or indirectly interested personally in this contract or in any part hereof. No officer, employee, architect, attorney, engineer, or inspector of or for the owner who is authorized in such capacity and on behalf of the Owner to exercise any legislative, executive, supervisory, or other similar functions in connection with the construction of the project, shall become directly or indirectly interested personally in this contract or in any part thereof, any material supply contract, subcontract, insurance contract, or any other contract pertaining to the project.

#### **36. SUSPENSION OF WORK**

Should the Owner be prevented or enjoined from proceeding with work either before or after the start of construction by reason or any litigation or other reason beyond the control of the Owner, the Contractor shall not be entitled to make or assert claim for damage by reason of said delay; but time for completion of the work will be extended to such reasonable time as the Owner may determine will compensate for time lost by such delay with such determination to be set forth in writing.

#### **37. MINIMUM WAGE**

All laborers and mechanics employed upon the work covered by this Contract shall be paid unconditionally and not less often than once each week, and without subsequent deduction or rebate on any account (except such payroll deductions as are made mandatory by law and such other payroll deductions as are permitted by the applicable regulations issued by the Secretary of Labor, United States Department of Labor, pursuant to the Anti-Kickback Act hereinafter identified), the full amount due at time of payment computed at wage rates not less than those contained in the wage determination decision of said Secretary of Labor (a copy of which is attached and herein incorporated by reference), regardless of any contractual relationship which may be alleged to exist between the Contractor or any subcontractor and such laborers and mechanics. All laborers and mechanics employed upon such work shall be paid in cash, except that payment may be by check if the employer provides or secures satisfactory facilities approved by the Local Public Agency or Public Body for the cashing of the same without cost or expense to the employee. For the purpose of this clause, contributions made or costs reasonably anticipated under Section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of Section 5.5 (a)(1)(IV) of Title 29, Code of Federal Regulations. Also for the purpose of this clause, regular contributions made or cost incurred for more than a weekly period under plans, funds, or programs, but covering the particular weekly period, are deemed to be constructively made or incurred during such weekly period.

**38. UNDERPAYMENT OF WAGES OR SALARIES**

In case of underpayment of wages by the Contractor or by any subcontractors to laborers or mechanics employed by the Contractor or subcontractor upon the work covered by this Contract, the Local Public Agency or Public Body in addition to such other rights as may be afforded it under this Contract shall withhold from the Contractor, out of any payments due the Contractor, so much thereof as the Local Public Agency or Public Body may consider necessary to pay such laborers or mechanics the full amount of wages required by this Contract. The amount so withheld may be disbursed by the Local Public Agency or Public Body, for and on account of the Contractor or the subcontractor (as may be appropriate), to the respective laborers or mechanics to whom the same is due or on their behalf to plans, funds, or programs for any type of fringe benefit prescribed in the applicable wage determination.

**39. ANTICIPATED COSTS OF FRINGE BENEFITS**

If the Contractor does not make payments to a trustee or other third person, he may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing fringe benefits under a plan or program of a type expressly listed in the wage determination decision of the Secretary of Labor which is a part of this Contract. Provided, however, The Secretary of Labor has found, upon the written request of the Contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the Contractor to set aside in a separate account assets for the meeting of obligations under the plan or program. A copy of any findings made by the Secretary of Labor in respect to fringe benefits being provided by the Contractor must be submitted to the Local Public Agency or Public Body with the first payroll filed by the Contractor subsequent to receipt of the findings.

**40. OVERTIME COMPENSATION REQUIRED BY CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (76 Stat. 357-360: Title 40 U.S.C., Sections 327-332)**

Overtime Requirements. No Contractor or subcontractor contracting for any part of the Contract work which may require or involve the employment of laborers or mechanics,

including watchmen and guards, shall require or permit any laborer or mechanic in any workweek in which he is employed on such work to work in excess of 40 hours in such work week unless such laborer or mechanic receives compensation at a rate not less than one and one-half times his basic rate of pay for all hours worked in excess of 40 hours in such work week, as the case may be.

Violation: Liability for Unpaid Wages Liquidated Damages. In the event of any violation of the clause set forth in paragraph (a), the Contractor and any subcontractor responsible therefore shall be liable to any affected employee for his unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic employed in violations of the clause set forth in paragraph (a), in the sum of \$10 for each calendar day on which such employee was required or permitted to work in excess of 8 hours or in excess of the standard workweek or 40 hours without payment of the overtime wages required by the clause set forth in paragraph (a).

Withholding for liquidated damages. The Local Public Agency or Public Body shall withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for liquidated damages as provided in the clause set forth in paragraph (b).

#### 41. EMPLOYMENT OF APPRENTICES/TRAINEES

Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed and individually registered in a bona-fide apprenticeship program registered with the U.S. Department of Labor, Manpower Administration, Bureau of Apprenticeship and Training, or with a State Apprenticeship Agency recognized by the Bureau, or if a person is employed in his first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Bureau of Apprenticeship and Training or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen in any craft classification shall not be greater than the ratio permitted to the contractors to his entire work force under the registered program. Any employee listed on a payroll at an apprentice wage rate, who is not a trainee as defined in subdivision (b) of this subparagraph or is not registered or otherwise employed as stated above, shall be paid the wage rate determined by the Secretary of Labor for the classification of work he actually performed. The contractor or subcontractor will be required to furnish to the contracting officer or a representative of the Wage-Hour Division of the U.S. Department of Labor written evidence of the registration of his program and apprentices as well as the appropriate ratios and wage rates (expressed in percentages of the journeyman hourly rates), for the area of construction prior to using any apprentices on the contract work. The wage rate paid apprentices shall be not less than the appropriate percentage of the journeyman's rate contained in the applicable wage determination.

Trainees. Except as provided in 29 CFR 5.15 trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification, by the U.S. Department of Labor, Manpower Administration, Bureau of Apprenticeship and Training. Every trainee must be paid at not less than the rate specified in the approved program for his level of progress. Any employee listed on the payroll at a trainee

rate who is not registered and participating in a training plan approved by the Bureau of Apprenticeship and Training shall be paid not less than the wage rate determined by the Secretary of Labor for the classification of work he actually performed. The contractor or subcontractor will be required to furnish the contracting officer or a representative of the Wage-Hour Division of the U.S. Department of Labor written evidence of the certification of his program, the registration of the trainees, and the ratios and wage rates prescribed in that program. In the event the Bureau of Apprenticeship and Training withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

Equal Employment Opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, as 29 CFR Part 30.

**42. EMPLOYMENT OF CERTAIN PERSONS PROHIBITED**

No person under the age of sixteen years and no person who, at the time, is serving sentence in a penal or correctional institution shall be employed on the work covered by this Contract.

**43. REGULATIONS RURSUANT TO SO-CALLED "ANIT-KICKBACK ACT" Title 18, U.S.C.**

874 Kickbacks from public works employees:

Whoever, by force, intimidation, or threat of procuring dismissal from employment, or by any other manner whatsoever induces any person employed in the construction, prosecution, completion or repair of any public building, public work, or building or work financed in whole or in part by loans or grants from the United States, to give up any part of the compensation to which he is entitled under his contract of employment, shall be fined not more than \$5,000 or imprisoned not more than five years, or both.

**44. EMPLOYMENT OF LABORERS OR MECHANICS NOT LISTED IN AFORESAID WAGE DETERMINATION DECISION**

Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the Contract will be classified or reclassified conformably to the wage determination by the Local Public Agency or Public Body, and a report of the action taken shall be submitted by the Local Public Agency or Public Body, through the Secretary of Housing and Urban Development, to the Secretary of Labor, United States Department of Labor. In the event the interested parties cannot agree on the proper classification or reclassification of a particular class of laborers and mechanics to be used, the question accompanied by the recommendation of the Local Public Agency or Public Body shall be referred, through the Secretary of Housing and Urban Development, to the Secretary of Labor for final determination.

**45. FRINGE BENEFITS NOT EXPRESS AS HOURLY WAGE RATES**

The Local Public Agency or Public Body shall require, whenever the minimum wage rate prescribed in the Contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly wage rate and the Contractor is obligated to pay cash equivalent of such a fringe benefit, an hourly cash equivalent thereof to be established. In the event the interested parties cannot agree upon a cash equivalent of the fringe benefit, the question, accompanied by the recommendation of the Local Public Agency or Public Body, shall be referred, through the Secretary of Housing and Urban Development, to the Secretary of Labor for determination.

**46. POSTING WAGE DETERMINATION DECISIONS AND AUTHORIZED WAGE DEDUCTIONS**

The applicable wage poster of the Secretary of Labor, United States Department of Labor, and the applicable wage determination decisions of said Secretary of Labor with respect to the various classification of laborers and mechanics employed and to be employed on the work covered by this Contract, and a statement showing all deductions, if any, in accordance with the provisions of this Contract, to be made from wages actually earned by persons so employed or to be employed in such classifications, shall be posted at appropriate conspicuous points at the site of the work.

**47. COMPLIANTS, PROCEEDINGS, OR TESTIMONY BY EMPLOYEES**

No laborer or mechanic to whom the wage, salary, or other labor standards provisions of this Contract are applicable shall be discharged or in any other manner discriminated against by the Contractor or any subcontractor because such employee has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable under this Contract to his employer.

**48. CLAIMS AND DISPUTES PERTAINING TO WAGE RATES**

Claims and disputes pertaining to wage rates or to classifications of laborers and mechanics employed upon the work covered by this Contract shall be promptly reported by the Contractor in writing to the Local Public Agency or Public Body for referral by the latter through the Secretary of Housing and Urban Development to the Secretary of Labor, United States Department of Labor, whose decision shall be final with respect thereto.

**49. QUESTIONS CONCERNING CERTAIN FEDERAL STATUES AND REGULATIONS**

All questions arising under this Contract which relate to the application or interpretation of (a) the aforesaid Anti-Kickback Act, (b) the Contract Work Hours and Safety Standards Act, (c) the aforesaid Davis-Bacon Act, (d) the regulations issued by the Secretary of Labor, United States Department of Labor, pursuant to said Acts, or (e) the labor standards provisions of any other pertinent Federal statute, shall be referred through the Local Public Agency or Public Body and the Secretary of Housing and Urban Development to the Secretary of Labor, United States Department of Labor, for said Secretary's appropriate ruling or interpretation which shall be authoritative and may be relied upon for the purposes of this Contract.

**50. PAYROLLS AND BASIC RECORDS OF CONTRACTOR AND SUBCONTRACTORS**

The Contractor and each subcontractor shall prepare his payrolls on forms satisfactory to and in accordance with instructions to be furnished by the Local Public Agency or Public Body. The Contractor shall submit weekly to the Local Public Agency or Public Body two certified copies of all payrolls of the Contractor and of the subcontractors, it being understood that the Contractor shall be responsible for the submission of copies of payrolls of all subcontractors. Each such payroll shall contain the "Weekly Statement of Compliance" set forth in section 3.3 of Title 29, Code of Federal Regulations. The payrolls and basic payroll records of the Contractor and each subcontractor covering all laborers and mechanics employed upon the work covered by this Contract shall be maintained during the course of the work and preserved for a period of 5 years thereafter. Such payrolls and basic payroll records shall contain the name, address and social security number of each employee, his correct classification, rate of pay (including rates of contributions or costs anticipated of the types described in Section 1(b)(2) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made, and actual wages paid. In addition, whenever the Secretary of Labor has found under Section

5.5(a)(1)(iv) of Title 29, Code of Federal Regulations, that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in Section 1(b)(2)(3) of the Davis-Bacon Act, the Contractor or subcontractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. The Contractor and each subcontractor shall make his employment records with respect to persons employed by him upon the work covered by this Contract available for inspection by authorized representatives of the Secretary of Housing and Urban Development, the Local Public Agency or Public Body, and the United States Department of Labor. Such representatives shall be permitted to interview employees of the Contractor or of any subcontractor during working hours on the job.

**51. SPECIFIC COVERAGE OF CERTAIN TYPES OF WORK BY EMPLOYEES**

The transporting of materials and supplies to or from the site of the Project or Program to which this Contract pertains by the employees of the Contractor or of any subcontractor, and the manufacturing or furnishing of materials, articles, supplies, or equipment on the site of the Project or Program to which this Contract pertains by persons employed by the Contractor or by any subcontractor, shall, for the purposes of this Contract, and without limiting the generality of the foregoing provisions of this Contract, be deemed to be work to which these Federal Labor Standard Provisions are applicable.

**52. BREACH OF FOREGOING FEDERAL LABOR STANDARDS PROVISION**

In addition to the causes for termination of this Contract as herein elsewhere set forth, the Local Public Agency or Public Body reserves the right to terminate this Contract if the Contractor or any Subcontractor whose Subcontract covers any of the work covered by this Contract shall breach any of these Federal Labor Standards Provisions. A breach of these Federal Labor Standards Provisions may also be grounds for debarment as provided by the applicable regulations issued by the Secretary of Labor, United States Department of Labor.

**53. EMPLOYMENT PRACTICES**

The Contractor shall, to the greatest extent practicable, follow hiring and employment practices for work on the project which will provide new job opportunities for the unemployed and underemployed.

**54. AUTHORIZED EMPLOYEES**

Contractor acknowledges that Section 285.530, RSMo, prohibits any business entity or employer from knowingly employing, hiring for employment, or continuing to employ an unauthorized alien to perform work within the state of Missouri. Contractor therefore covenants that it is not knowingly in violation of subsection 1 of Section 285.530, RSMo, and that it will not knowingly employ, hire for employment, or continue to employ any unauthorized aliens to perform work on the Project, and that its employees are lawfully to work in the United States.

STATE OF MISSOURI ) ss  
COUNTY OF \_\_\_\_\_)

**AFFIDAVIT**  
(as required by Section 285.530, Revised Statutes of Missouri)

As used in this Affidavit, the following terms shall have the following meanings:

**EMPLOYEE:** Any person performing work or service of any kind for hire within the State of Missouri.

**FEDERAL WORK AUTHORIZATION PROGRAM:** Any of the electronic verification of work authorization programs operated by the United States Department of Homeland Security or an equivalent federal work authorization program operated by the United States Department of Homeland Security to verify information of newly hired employees, under the Immigration Reform and Control Act of 1986 (IRCA), P.L. 99-603.

**KNOWINGLY:** A person acts knowingly or with knowledge,

- (a) with respect to the person's conduct or to attendant circumstances when the person is aware of the nature of the person's conduct or that those circumstances exist; or
- (b) with respect to a result of the person's conduct when the person is aware that the person's conduct is practically certain to cause that result.

**UNAUTHORIZED ALIEN:** An alien who does not have the legal right or authorization under federal law to work in the United States, as defined in 8 U.S.C. 1324a(h)(3).

BEFORE ME, the undersigned authority, personally appeared \_\_\_\_\_, who, being duly sworn,  
states on his oath or affirmation as follows:

1. My name is \_\_\_\_\_ and I am currently the  
President of \_\_\_\_\_ (hereinafter  
“Contractor”), whose business address is \_\_\_\_\_

“and I am authorized to make this  
Affidavit.

2. I am of sound mind and capable of making this Affidavit and am personally acquainted with  
the facts stated herein.

3. Contractor is enrolled in and participates in a federal work authorization program with  
respect to the employees working in connection with the following services contracted between  
Contractor and \_\_\_\_\_

4. Contractor does not knowingly employ any person who is an unauthorized alien in  
connection with the contracted services set forth above.

5. Attached hereto is documentation affirming Contractor's enrollment and participation in a federal work authorization program with respect to the employees working in connection with the contracted services.

Further, Affiant sayeth not.

---

Affiant

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Commission #

## Federal Labor Standards Provisions

**U.S. Department of Housing  
and Urban Development**  
Office of Labor Relations

### Applicability

The Project or Program to which the construction work covered by this contract pertains is being assisted by the United States of America and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance.

**A. 1. (i) Minimum Wages.** All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under Section I(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of 29 CFR 5.5(a)(1)(iv); also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs, which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under 29 CFR 5.5(a)(1)(ii) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible, place where it can be easily seen by the workers.

**(ii) (a)** Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate and fringe benefits therefor only when the following criteria have been met:

- (1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and
  - (2) The classification is utilized in the area by the construction industry; and
  - (3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.
- (b) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and HUD or its designee agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, D.C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB control number 1215-0140.)
- (c) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and HUD or its designee do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), HUD or its designee shall refer the questions, including the views of all interested parties and the recommendation of HUD or its designee, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)
- (d) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (1)(ii)(b) or (c) of this paragraph, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.
- (iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.
- (iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part

of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

**2. Withholding.** HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee or helper, employed or working on the site of the work, all or part of the wages required by the contract, HUD or its designee may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased. HUD or its designee may, after written notice to the contractor, disburse such amounts withheld for and on account of the contractor or subcontractor to the respective employees to whom they are due. The Comptroller General shall make such disbursements in the case of direct Davis-Bacon Act contracts.

**3. (i) Payrolls and basic records.** Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in Section I(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5 (a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in Section I(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been

communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs. (Approved by the Office of Management and Budget under OMB Control Numbers 1215-0140 and 1215-0017.)

(ii) (a) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to HUD or its designee if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i) except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/esa/whd/forms/wh347instr.htm> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to HUD or its designee if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this subparagraph for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to HUD or its designee. (Approved by the Office of Management and Budget under OMB Control Number 1215-0149.)

(b) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under 29 CFR 5.5 (a)(3)(ii), the appropriate information is being maintained under 29 CFR 5.5(a)(3)(i), and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR Part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(c) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by subparagraph A.3.(ii)(b).

(d) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under subparagraph A.3.(i) available for inspection, copying, or transcription by authorized representatives of HUD or its designee or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, HUD or its designee may, after written notice to the contractor, sponsor, applicant or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

#### 4. Apprentices and Trainees.

(i) **Apprentices.** Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who

is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) **Trainees.** Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by

the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) **Equal employment opportunity.** The utilization of apprentices, trainees and journeymen under 29 CFR Part 5 shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

**5. Compliance with Copeland Act requirements.** The contractor shall comply with the requirements of 29 CFR Part 3 which are incorporated by reference in this contract

**6. Subcontracts.** The contractor or subcontractor will insert in any subcontracts the clauses contained in subparagraphs 1 through 11 in this paragraph A and such other clauses as HUD or its designee may by appropriate instructions require, and a copy of the applicable prevailing wage decision, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in this paragraph.

**7. Contract termination; debarment.** A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

**8. Compliance with Davis-Bacon and Related Act Requirements.** All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this contract

**9. Disputes concerning labor standards.** Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and HUD or its designee, the U.S. Department of Labor, or the employees or their representatives.

**10. (i) Certification of Eligibility.** By entering into this contract the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be

awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001. Additionally, U.S. Criminal Code, Section 1 01 0, Title 18, U.S.C., "Federal Housing Administration transactions", provides in part: "Whoever, for the purpose of . . . influencing in any way the action of such Administration..... makes, utters or publishes any statement knowing the same to be false..... shall be fined not more than \$5,000 or imprisoned not more than two years, or both."

**11. Complaints, Proceedings, or Testimony by Employees.** No laborer or mechanic to whom the wage, salary, or other labor standards provisions of this Contract are applicable shall be discharged or in any other manner discriminated against by the Contractor or any subcontractor because such employee has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable under this Contract to his employer.

**B. Contract Work Hours and Safety Standards Act.** The provisions of this paragraph B are applicable where the amount of the prime contract exceeds \$100,000. As used in this paragraph, the terms "laborers" and "mechanics" include watchmen and guards.

(1) **Overtime requirements.** No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which the individual is employed on such work to work in excess of 40 hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.

(2) **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in subparagraph (1) of this paragraph, the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in subparagraph (1) of this paragraph, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by the clause set forth in subparagraph (1) of this paragraph.

**(3) Withholding for unpaid wages and liquidated damages.** HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contract, or any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act which is held by the same prime contractor such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (2) of this paragraph.

**(4) Subcontracts.** The contractor or subcontractor shall insert in any subcontracts the clauses set forth in subparagraph (1) through (4) of this paragraph and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in subparagraphs (1) through (4) of this paragraph.

**C. Health and Safety.** The provisions of this paragraph C are applicable where the amount of the prime contract exceeds \$100,000.

**(1)** No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation.

**(2)** The Contractor shall comply with all regulations issued by the Secretary of Labor pursuant to Title 29 Part 1926 and failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act, (Public Law 91-54, 83 Stat 96). 40 USC 3701 et seq.

**(3)** The contractor shall include the provisions of this paragraph in every subcontract so that such provisions will be binding on each subcontractor. The contractor shall take such action with respect to any subcontractor as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions.

**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**  
**SUPPLEMENTAL GENERAL CONDITIONS**

**1. SPECIAL EQUAL OPPORTUNITY PROVISIONS**

**A. Activities and Contracts Not Subject to Executive Order 11246, as Amended.**

(Applicable to Federally assisted construction contracts and related subcontracts \$10,000 and under.)

During the performance of this contract, the contractor agrees as follows:

1. The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor shall take affirmative action to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
2. The Contractor shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by Contracting Officer setting forth the provisions of this non-discrimination clause. The Contractor shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
3. Contractors shall incorporate foregoing requirements in all subcontracts.

**B. Executive Order 1124 (Contracts/subcontracts above \$10,000)**

**1. Section 202 Equal Opportunity Clause**

During the performance of this contract, the contractor agrees as follows:

- a. The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, employment, upgrading, demotion, or transfer; recruitment, or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- b. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration without regard to race, color, religion, sex, or national origin.
- c. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract understanding, a notice to be provided by the Contract Compliance Officer advising the said labor union or workers' representatives of the contractor's commitment under this section,

and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

- d. The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- e. The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Department and the Secretary of Labor for purposes of investigation, to ascertain compliance with such rules, regulations, and others.
- f. In the event of the contractor's non-compliance with the non-discrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 or September, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- g. The contractor will include the provisions of the sentence immediately preceding paragraph (a) and the provisions of paragraph (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the Department may direct as a means of enforcing such provisions, including sanctions for non-compliance. Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Department the contractor may request the United States to enter into such litigation to protect the interest of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in Federally assisted construction work. Provided, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government that does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965,

with a contractor debarred from, or who has not demonstrated eligibility for Government contracts and Federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee), refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurances of future compliance have been received from such applicant, and refer the case to the Department of Justice for appropriate legal proceedings.

2. Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity (Executive Order 11246). (Applicable to contracts/subcontracts exceeding \$10,000.00.)
  - a. The Offerer's or Bidder's attention is called to the "Equal Opportunity Clause" and the "Standard Federal Equal Employment Opportunity Construction Contract Specifications" set forth herein.
  - b. The goals and timetables for minority and female participation, expressed in percentage terms for the Contractor's aggregate work force in each trade on all construction work in the covered area, are as follows:

Goals for minority participation:	Goals for Female participation:
Insert Goals:  12.7	Insert goals for current year:  6.9

These goals are applicable to all the Contractor's construction work (whether or not it is Federal or Federally assisted) performed in the covered area. If the contractor performs construction work in a geographic area located outside of the covered area, it shall apply the goals established for such geographic area where the work is actually performed. With regard to this second area, the contractor also is subject to the goals for both its Federally involved and non-Federally involved construction.

The Contractor's compliance with the Executive Order and the regulation in 41 CFR Part 60-4 shall be based on its implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the specifications set forth in 41 CFR 60-4.3 (a), and its efforts to meet the goals established for the geographical area where the contract resulting from this solicitation is to be performed. The hours of minority and female employment and training must be substantially uniform throughout the length of the contract, and in each trade, and the contractor shall make a good faith effort to employ minorities and women

evenly on each of its projects. The transfer of minority or female employees or trainees from Contractor to Contractor or from project to project for the sole purpose of meeting the Contractor's goals shall be a violation of the contract, the Executive Order and the regulations in 41 CFR Part 60-4. Compliance with the goals will be measured against the total work hours performed.

- c. The Contractor shall provide written notification to the Director of the Office of Federal Contract Compliance Programs within 10 working days of award of any construction subcontract in excess of \$10,000 at any tier for construction work under the contract resulting from this solicitation. The notification shall list the name, address, and telephone number of the subcontractor; employer identification number; estimated dollar amount of the subcontract; estimated starting and completion dates of the subcontract; and the geographical area in which the contract is to be performed.
  - d. As used in this Notice, and in the contract resulting from this solicitation, the "covered area" is (insert description of the geographical areas where the contract is to be performed giving the state, county, and city, if any).
3. Standard Federal Equal Employment Opportunity Construction Contract Specifications (Executive Order 11246)
    - a. As used in these specifications:
      1. "Covered area" means the geographical area described in the solicitation from which this contract resulted.
      2. "Director" means Director, Office of Federal Contract Compliance Programs, United States Department of Labor, or any person to whom the Director delegates authority.
      3. "Employer identification number" means the Federal Social Security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941.
      4. "Minority" includes:
        - i. Black (all persons having origins in any of the Black African racial groups not of Hispanic origin);
        - ii. Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish Culture or origin, regardless of race);
        - iii. Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); and
        - iv. American Indian or Alaskan Native (all persons having origins in any of the original peoples of North American and maintaining identifiable tribal affiliations through membership and participation or community identification).
      - b. Whenever the Contractor, or any Subcontractor at any tier, subcontracts a portion of the work involving any construction trade, it shall physically include in each subcontract in excess of \$10,000 the provisions of these specifications and the

Notice which contains the applicable goals for minority and female participation and which is set forth in the solicitations from which this contract resulted.

- c. If the Contractor is participating (pursuant to 41 CFR 60-4.5) in a Hometown Plan approved by the U.S. Department of Labor in the covered area either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that Plan for those trades which have unions participating in the Plan. Contractors must be able to demonstrate their participation in and compliance with the provisions of any such Hometown Plan. Each Contractor or Subcontractor participating in an approved Plan is individually required to comply with its obligations under the EEO clause, and to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other Contractors or Subcontractors toward a goal in an approved Plan does not excuse any covered Contractor's or Subcontractors failure to take good faith efforts to achieve the Plan goals and timetables.
- d. The Contractor shall implement the specific affirmative action standards provided in paragraphs g1 through 17 of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the Contractor should reasonably be able to achieve in each construction trade in which it has employees in the covered area. The Contractor is expected to make substantially uniform progress toward its goals in each craft during the period specified. Covered construction contractors performing contracts in geographical areas where they do not have a Federal or Federally-assisted construction contract shall apply the minority and female goals established for the geographic area where the contract is being performed. Goals are published periodically in the Federal Register in notice from and such notices may be obtained from any Office of Federal Contract Compliance Programs office or from Federal procurement contracting officers. The contractor is expected to make substantially uniform progress in meeting its goals in each craft during the period specified.
- e. Neither the provisions of any collective bargaining agreement, nor the failure by a union with whom the Contractor has a collective bargaining agreement, to refer either minorities or women shall excuse the Contractor's obligations under these specifications, Executive Order 11246, or the regulations promulgated pursuant thereto.
- f. In order for the nonworking training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees must be employed by the Contractor during the training period, and the Contractor must make a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees must be trained pursuant to training programs approved by the U.S. Department of Labor.
- g. The Contractor shall take specific affirmative action to ensure equal employment opportunity. The evaluation of the Contractor's compliance with these specifications shall be based upon its effort to achieve maximum results from its actions. The Contractor shall document these efforts fully, and shall implement affirmative action steps at least as extensive as the following.

1. Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the Contractor's employees are assigned to work. The Contractor, where possible, will assign two or more women to each construction project. The Contractor shall specifically ensure that all foremen, superintendents, and other on-site supervisory personnel are aware of and carry out the Contractor's obligation to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.
2. Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the Contractor or its unions have employment opportunities available, and maintain a record of the organizations' responses.
3. Maintain a current file of the names, addresses, and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source or community organization and of what action was taken with respect to each union hiring hall for referral and was not referred back to the Contractor by the union or, if referred, not employed by the Contractor, this shall be documented in the file with the reason therefore, along with whatever additional actions the Contractor may have taken.
4. Provide immediate written notification to the Director when the union or unions with which the Contractor has a collective bargaining agreement has not referred to the Contractor a minority person or woman sent by the Contractor, or when the Contractor has other information that the union referral process has impeded the Contractor's efforts to meet its obligations.
5. Develop on-the-job training opportunities and/or participate in training programs for the area which expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the Contractor's employment needs, especially those programs funded or approved by the Department of Labor. The Contractor shall provide notice of these programs to the sources complied under g2 above.
6. Disseminate the Contractor's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the Contractor in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc., by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at each location where construction work is performed.
7. Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination, or other employment decisions including specific review of these items with on site supervisory personnel such as Superintendents, General Foremen, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.

8. Disseminate the Contractor's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the Contractor's EEO policy with other Contractors and Subcontractors with whom the Contractor does or anticipates doing business.
9. Direct its recruitment efforts, both oral and written, to minority, female, and community organizations, to schools with minority and female students and to minority and female recruitment and training organizations serving the Contractor's recruitment area and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the Contractor shall send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selection process.
10. Encourage present minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer, and vacation employment to minority and female youth both on the site and in other area of a Contractor's work force.
11. Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60-3.
12. Conduct, at least annually, an inventory and evaluation at least of all minority and female personnel for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.
13. Ensure that seniority practices, job classifications, work assignments, and other personnel practices, do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure EEO policy and the Contractor's obligations under these specifications are being carried out.
14. Ensure that all facilities and company activities are nonsegregated except that separate or single-user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.
15. Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations.
16. Conduct a review, at least annually, of all supervisor's adherence to and performance under the Contractor's EEO policies and affirmative action obligations.
17. Covered construction contractors performing contracts in geographical area where they do not have a Federal or Federally assisted construction contract shall apply the minority and female goals established for the geographical area where the contract is being performed. Goals are published periodically in the Federal Register in notice form and such notices may be obtained from any Office of Federal Contract Compliance Programs office or from Federal procurement contracting officers. The contractor is expected to make

substantially uniform progress in meeting its goals in each craft during the period specified.

- h. Contractors are encouraged to participate in voluntary associations, which assist in fulfilling one or more of their affirmative action obligations (g1 through 17). The efforts of a contractor association, joint contractor-union, contractor-community, or other similar group of which the contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under g1 through 17 of these Specifications provided that the contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the Contractor's minority and female work force participation, makes a good faith effort to meet its individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the Contractor. The obligation shall not be a defense for the Contractor's non-compliance.
- i. A single goal for minorities and a separate single goal for women have been established. The Contractor, however, is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority. Consequently, the Contractor may be in violation of the Executive Order if a particular group is employed in a substantially disparate manner (for example, even though the Contractor has achieved its goals for women generally, the Contractor may be in violation of the Executive Order if a specific minority group of women is underutilized).
- j. The Contractor shall not use the goals and timetables or affirmative action standards to discriminate against any person because of race, color, religion, sex, or national origin.
- k. The Contractor shall not enter into any Subcontract with any person or firm debarred from Government contracts pursuant to Executive Order 11246.
- l. The Contractor shall carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause, including suspension, termination, and cancellation of existing subcontract as may be imposed or ordered pursuant to Executive Order 11246 as amended, and its implementing regulations, by the Office of Federal Contract Compliance Programs. Any Contractor who fails to carry out such sanctions and penalties shall be in violation of these specifications, and Executive Order 11246, as amended.
- m. The Contractor, in fulfilling its obligations under these specifications, shall implement specific affirmative action steps, at least extensive as those standards prescribed in paragraph g of these specifications, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the Contractor fails to comply with the requirements of the Executive Order, the implementing regulations, or these specifications, the Director shall proceed in accordance with 41 CFR 60-4.8.
- n. The Contractor shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the

Government, and to keep records. Records shall at least include for each employee the name, address, telephone numbers, construction trade, union affiliation if any, employee identification number when assigned, social security number, race, sex, status (e.g., mechanic, apprentice trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate to pay, and locations at which the work was performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, contractors shall not be required to maintain separate records.

- o. Nothing herein provided shall be construed as a limitation upon the application of other laws, which establish different standards of compliance or upon the application of requirements for the hiring of local or other area residents (e.g., those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).

C. Certification of Non-Segregated Facilities (Over \$10,000)

By the submission of this bid, the bidder, offerer, applicant, or subcontractor certifies that he does not maintain or provide for his employees any segregated facility at any of his establishments, and that he does not permit employees to perform their services at any location, under his control, where segregated facilities are maintained. He certifies further that he will not maintain or provide for employees any segregated facilities at any of his establishments, and he will not permit employees to perform their services at any location under his control where segregated facilities are maintained. The bidder, offerer, applicant, or subcontractor agrees that a breach of this certification is a violation of the Equal Opportunity Clause of this contract. As used in this certification, the term "segregated facilities" means any waiting rooms, work area, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms, and other storage or dressing areas, \*transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. He further agrees that (except where he has obtained identical certifications from proposed subcontractors for specific time periods) he will obtain identical certification from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity Clause; that he will retain such certification in his files; and that he will forward the following notice to such proposed subcontractors (except where proposed subcontractors have submitted identical certifications for specific time periods).

\* Parking lots, drinking fountains, recreation, or entertainment areas.

D. "Section 3" Compliance in the Provision of Training, Employment and Business Opportunities

The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC 1701u. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3 shall, to the greatest extent feasible, be directed to low and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

The parties to this said contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the

parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth the minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.

The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.

The contractor will certify that any vacant employment positions including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations in 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligation under 24 CFR Part 135.

The contractor agrees to submit such reports as required to document compliance with 24 CFR Part 135. Noncompliance with the regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

2. CERTIFICATION OF COMPLIANCE WITH AIR AND WATER ACTS

(Applicable to Federally assisted construction contracts and related subcontracts exceeding \$100,000.)

Compliance with Air and Water Acts

During the performance of this contract, the contractor and all subcontractors shall comply with the requirements of the Clean Air Act, as amended, 42 USC 7401 et seq., the Clean Water Act, as amended, 33 USC 1251 et seq., and the regulations of the Environmental Protection Agency with respect thereto, at 40 CFR, as amended.

In addition to the foregoing requirements, all nonexempt contractors and subcontractors shall furnish to the owner the following:

- A. A stipulation by the contractor or subcontractors that any facility to be utilized in the performance of any nonexempt contract or subcontract is not listed on the list of Violating Facilities issued by the Environmental Protection Agency (EPA).
- B. Agreement by the contractor to comply with all the requirements of Section 114 of the Clean Air Act, as amended, (42 USC 7413) and Section 308 of the Clean Water Act, as amended, (33 USC 1318) relating to inspection, monitoring, entry, reports, and information,

as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.

- C. A stipulation that as a condition for the award of the contract, prompt notice will be given of any notification received from the Director, Office of Federal Activities, or EPA, indicating that a facility utilized, or to be utilized for the contract, is under consideration to be listed on the EPA List of Violating Facilities.
  - D. Agreement by the Contractor that he will include, or cause to be included, the criteria and requirements in paragraph (A) through (D) of this section in every nonexempt subcontract and requiring that the Contractor will take such action as the Government may direct as a means of enforcing such provisions.
3. SPECIAL CONDITIONS PERTAINING TO HAZARDS SAFETY STANDARDS AND ACCIDENT PREVENTION

A. Lead-Based Paint Hazards

(Applicable to contracts for construction or rehabilitation of residential structures.)

The construction or rehabilitation of residential structures is subject to the HUD Lead-Based Paint regulations, 24 CFR Part 35 and Revised Missouri Statutes 700.300 - 338. The Contractor and Subcontractor shall comply with the provisions for the elimination of lead-based paint hazards under sub-part B of said regulations. The Owner will be responsible for the inspections and certifications required under Section 35.14 (f) thereof.

B. Use of Explosives

When the use of explosives is necessary for the prosecution of the work the Contractor shall observe all local, state, and Federal laws in purchasing and handling explosives. The Contractor shall take all necessary precaution to protect completed work, neighboring property, waterlines, or there underground structures. Where there is danger to structures or property from blasting, the charges shall be reduced and the material shall be covered with suitable timber, steel, or rope mats.

The Contractor shall notify all owners of public utility property of intention to use explosives at least eight hours before blasting is done close to such property. Any supervision or direction of use of explosives by the Engineer does not in any way reduce the responsibility of the Contractor or his Surety for damages that may be cause by such use.

C. Danger Signals and Safety Devices (Modify as required)

The Contractor shall make all necessary precautions to guard against damages to property and injury to persons. He shall put up and maintain in good condition sufficient red or warning lights at night, suitable barricades, and other devices necessary to protect the public. In case the Contractor fails or neglects to take such precautions, the Owner may have such lights and barricades installed and charge the cost of this work to the Contractor. Such action by the Owner does not relieve the Contractor of any liability incurred under these specifications or contract.

## SUMMARY OF CIVIL RIGHTS LAWS, EXECUTIVE ORDERS, AND REGULATION

CDBG grantees must assure that all project activities will be administered in compliance with civil rights laws and regulations. The following are summaries of those parts of the civil rights laws and regulations that are applicable to CDBG activities.

Title VI of the Civil Rights Act of 1964 provides that no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Title VIII of the Civil Rights Act of 1968, as amended, provides that no person shall, on the basis of race, color, religion, sex, national origin, handicap, or familial status, be discriminated against in housing (and related facilities) provided with Federal assistance or lending practices with respect to residential property when such practices are connected with loans insured or guaranteed by the Federal Government.

Section 109 of the Housing and Community Development (HCD) Act of 1974, as amended, provides that no person in the United States shall, on the ground of race, color, national origin, religion, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under Title I of the Housing and Community Development Act of 1974.

Section 3 of the Housing and Urban Development Act of 1968, as amended, provides that, to the greatest extent feasible, opportunities for training and employment shall be given to recipients of public housing and lower-income residents of the unit of local government or the metropolitan area (or non-metropolitan county) in which the project is located. Contract work in connection with such projects shall be awarded to business concerns which are owned in substantial part by persons residing in the same metropolitan area (or non-metropolitan county) as the project, employ Section 3 residents in full-time positions, or subcontract with businesses which provide economic opportunities to lower income persons.

Section 503 of the Rehabilitation Act of 1973, as amended, provides for nondiscrimination in contractor employment. All recipients of Federal funds must certify Affirmative Action for Handicapped Workers in all contracts issued:

1. The contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The contractor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices, such as employment upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
2. The contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
3. In the event of the contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
4. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, provided by or through the contracting officer. Such notices shall state the contractor's obligation under the law to take

affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of applicants and employees.

5. The contractor will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the contractor is bound by the terms of Section 503 of the Rehabilitation Act of 1973, and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.
6. The contractor will include the provisions of this clause in every subcontract or purchase order of \$2,500 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Act, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontractor or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

Section 504 of the Rehabilitation Act of 1973, as amended, provides for nondiscrimination of an otherwise qualified individual solely on the basis of his/her handicap in benefiting from any program or activity receiving Federal financial assistance. All recipients must certify to compliance with all provisions of Section 504.

Age Discrimination Act of 1975 provides that no person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Executive Order 11063, as amended, directs all departments and agencies to take all action necessary and appropriate to prevent discrimination in housing and related facilities owned or operated by the Federal Government or provided with Federal financial assistance, and in the lending practices with respect to residential property and related facilities (including land to be developed for residential use) of lending institutions, insofar as such practices relate to loans insured or guaranteed by the Federal Government.

Executive Order 11246, as amended, provides that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in any phase of employment during the performance of Federal or Federally-assisted construction contracts in excess of \$10,000. Grantees shall comply with Executive Order 11246, as amended by Executive Order 12086, and the regulations issued pursuant thereto (41 CFR Chapter 60), which provide that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in all phases of employment during the performance of Federal or Federally-assisted construction contracts. As specified in Executive Order 11246 and the implementing regulations, contractors and subcontractors on Federal or Federally assisted construction contracts shall take affirmative action to ensure fair treatment in employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training and apprenticeship.

Section 106(d)(5)(B) of Title I of the Housing Community Development Act of 1974, as amended, provides that the grantee will affirmatively further fair housing.

Section 519 of Public Law 101-144 (the 1990 HUD Appropriations Act) requires each unit of general local government which receives Title I funds to adopt and enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations.

Section 906 of the Cranston-Gonzales National Affordable Housing Act, as amended by subsection 104(1) of the HCD Act of 1974, states that no CDBG funds may be obligated or expended to any unit of general local government that fails to adopt and enforce a policy of prohibiting the use of excessive

force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations, or fails to adopt and enforce a policy of applicable state and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstration within its jurisdiction.

**Note:** Unlike the similar prohibition in the 1990 HUD Appropriations Act, Section 906 clearly applies to all units of general local government, including counties.

**\*\*CONTRACT MANAGEMENT HELPFUL HINTS\*\***

- Every contract needs a beginning and end.
- If your own attorney did not write or review the contract, then READ IT and UNDERSTAND IT before you sign it.
- Pay attention to cost additions and termination conditions in all contracts.
- The amount of CDBG assistance offered does not necessarily equate the value of the service.
- The applicability of a number of contract documents is determined by the value of the contract.
- Keep track of payments made in accordance with contract terms.

**RURAL DEVELOPMENT/CDBG  
CONSTRUCTION CONTRACT DOCUMENTS**

To receive a copy of the joint Rural Development and CDBG Construction Contract Documents, please contact your local Rural Development office.

## Chapter IX

### ACQUISITION

#### **Introduction**

Missouri's CDBG grantees are required to comply with the acquisition and relocation policies and procedures as set forth in the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Uniform Act). Also, under Section 104(d) of the Housing and Community Development Act of 1974, as amended, CDBG grantees have the responsibility to minimize any displacement of households that results from CDBG funded projects. If Federal financial assistance, here CDBG funding, is used in any part of the project, the Uniform Act governs the grantee's acquisition of real property for the project and any resulting displacement, even if local or private funds are used to pay the acquisition costs. **CDBG acquisition and relocation guidelines are applicable to a project from the date of the grantee's pre-application public hearing.**

**NOTE: NO project related acquisition may occur after the date of the application public hearing until the Environmental Review process is completed with DED. Completion means that DED has issued an “Authority to Use Grant Funds/Completion of Environmental Review Requirements” form to the project’s grantee or applicant.**

#### **To Begin the UA Acquisition Process, First Answer Two Acquisition Questions:**

- 1) Are the project's acquisitions **“voluntary” acquisitions?** That is, is this an acquisition by the grantee or subgrantee one where the right of eminent domain will not be used or it does not exist. Here, if the acquisition with the property owner is not successful, the grantee's acquisition process will stop/end. If the project acquisitions are all voluntary, refer to the “General URA Acquisition Process” chart in the appendix to this section, on page 24, for the acquisition process that a grantee or subgrantee should follow.
- 2) Are the project's acquisition activities **“involuntary”?** That is, the grantee or subgrantee has a power of eminent domain, and will use it, if necessary, to complete the acquisition of the properties that are necessary for the implementation of the project. If yes, the grantee or subgrantee must follow the Uniform Act process in this chapter, see chart on page 23.

**The Involuntary Acquisition Process Under the Uniform Act:** If acquisition and/or relocation activities are part of your CDBG project, the property owner of the land, easements or structure that will be acquired must be informed of their rights under the Uniform Act.

**The basic 3 Uniform Act rights for property owners are:**

- 1) **Right to Just Compensation** based on an appraisal if the property is valued at more than \$25,000; or, a grantee may use recent sales data to support a determination of “market value” if the value of the property is estimated to be \$25,000 or less.
- 2) **Right to an Appraisal and a Review Appraisal** if the value of the property is greater than \$25,000, and the right to accompany the appraiser during the appraisal of their property.
- 3) **Right to a formal Notice of their Uniform Act Rights** provided by the CDBG applicant or grantee to the property owner(s) to inform them of their rights under the Uniform Act. This is usually accomplished by providing the owner with a preliminary acquisition notice letter and the applicable HUD Uniform Act brochure, or DED/RD Easement brochure.

## **What is the Uniform Act?**

It is an act passed by the U.S. Congress and may be found at: [www.hud.gov/relocation](http://www.hud.gov/relocation)

The Act authorized the U.S. Department of Transportation to be the lead agency to develop the regulations to implement the Uniform Act for 18 Federal Agencies. The Uniform Act regulations govern the acquisition and relocation activities of grantees that use CDBG funds in a project. The regulations were revised in 2004 and may be found in the Code of Federal Regulations (CFR) at 49 CFR Part 24. The most recent revision was published in the Federal Register on January 4, 2005 and **became effective on February 3, 2005**. Therefore, any project that receives federal-assistance, i.e., CDBG funds, is subject to the Uniform Act process and procedures.

## **The Uniform Act was passed to achieve the following public policy intent:**

Real Property Acquisition: It is the intent of the Act to:

- (1) encourage and to expedite the acquisition of real property by amicable agreements with property owners
- (2) avoid litigation and relieve congestion in the courts
- (3) assure consistent treatment for property owners in Federal programs
- (4) promote public confidence in Federal land acquisition practices

Relocation Assistance: The intent of the Act is to establish a uniform policy for fair and equitable treatment of persons that are displaced as a result of “federally-assisted” programs. Relocation assistance must be provided as specified in the applicable provisions of the Uniform Act; or, if applicable, under Section 104(d) of the Housing and Community Development Act.

## **When does the Uniform Act apply?**

Property acquisition under the Uniform Act begins with the grantee’s formal decision to “acquire” a specific property or properties for a CDBG project. Compliance with the Uniform Act is required because anytime CDBG funds are used in a project it becomes a “federally assisted” project. As such, the project’s acquisition activities becomes subject to the requirements of Subpart B of the Uniform Act, at 49 CFR 24.

The Act applies to the following types of project acquisitions:

- permanent easements, and temporary easements necessary for the project,
- a parcel of land,
- a long-term leases of 50-years or more, and,
- rights-of-way.

The procedures of the Act apply when a grantee has decided that ultimately it will use their power of eminent domain to acquire the land or easement should the Uniform Act acquisition process fail.

## **When does the Uniform Act NOT apply?**

The acquisition activities that are NOT subject to the Uniform Act are:

1. Temporary easements exclusively for the benefit of the property owner; that is, it is “not necessary” for or directly related to the CDBG project.

2. When a grantee or a subgrantee will not use their power of eminent domain or it does NOT have the power of eminent domain.

- For Example: The grantee has the power of eminent domain, but explicitly states in their preliminary acquisition notice that they will not use it should they not be able to successfully negotiate the acquisition of the property.
- For Example: A grantee and/or subgrantee does not have the power of eminent domain. They state in their preliminary acquisition notice that they do not have a power of eminent domain to use should they be unsuccessful in their negotiation for the acquisition of the property, when following the Uniform Act process and procedures.

3. When the acquisition of property is from a government agency; plus, the acquiring grantee does not have the power of eminent domain.

Acquisitions that were made and recorded prior to the publication of their CDBG pre-application public hearing notice.

**Please Note the Following:**

**NOTE 1: Sample Notices, Letters, & Brochures:** Sample acquisition and relocation notices, brochures, and other applicable documents are provided in the appendix to this chapter and on the DED website at:

[www.ded.mo.gov](http://www.ded.mo.gov)

- On the DED Homepage, click on the heading, “Community”
- Under the heading “Financial Assistance,” click on “State Programs”
- Under the heading “Community Development,” click on “Community Development Block Grant”
- Under the heading “Program Information, click on “CDBG Administrative Manual”
- Then, click on “Chapter 9 Acquisition”
- Also, under the heading “Program Information,” you may click on “CDBG Forms” to access the sample acquisition letters and forms.

**NOTE 2:** Sample Acquisition and Relocation documents may also be found at the HUD website

[www.hud.gov/relocation](http://www.hud.gov/relocation)

Click on: “Publications” in the right column for HUD brochures.

Also Click on: “Policy and Guidance” in the right column.

Click on: “HUD Handbooks” in the left column.

Click on: “more” under Handbook 1378 for HUD sample letters and guidance.

**NOTE 3: Environmental Review Compliance:** Please be advised that: prior to any acquisition, that occurs following the date of the grantee’s application public hearing, DED’s Environmental Review Process must be completed before a parcel or easement is formally acquired or donated.

It does not matter what source of funds are being used to purchase the parcel or

easements. Regardless of whether the project involves the use of a private company's funds, the local grantee's or subgrantee's matching funds, another agency's funds, CDBG funds, or a property owner's donation of land or an easement, DED's Environmental Review Process must be completed FIRST, prior to any acquisition.

Completion of the ER Process means that the project applicant or grantee has received from DED either:

- 1) An "Authority to Use Grant Funds" for CDBG projects that have been officially funded with an executed Funding Approval/Grant Agreement; or,
- 2) A "Pre-Grant Award Environmental Approval" letter for projects that are past their application public hearing date, but prior to having an executed Funding Approval/Grant Agreement with DED.
- 3) Please contact DED's Environmental Review Compliance Specialists, Jo Ann Dent, with any and all questions that you may have regarding compliance with our Environmental Review Process.

## PROPERTY ACQUISITION PROCEDURES

Property acquisition under the Uniform Act **is a sequential process** that begins with the grantee's decision to acquire a specific property or easements for a CDBG funded project. All project acquisitions made after the applicant's or grantee's pre-application public hearing date are subject to Subpart B of the Uniform Act (UA), **regardless of the source of payment**. The Acquisition Process under the UA, as shown on the chart on page 23 of this chapter, shows the typical acquisition process under the Uniform Act. It is basically a 10-step process.

NOTE: NO acquisition of a parcel or easement or a donation of either may be initiated in a CDBG-assisted project until the CDBG environmental review process is completed. The only exception is parcels and easements that are donated or acquired prior to the public hearing for the CDBG application. This regulation is applicable regardless of the source of funds (private or public) that are used to pay for the acquisition costs or regardless if the property or easement is donated.

### Ten Sequential Steps:

1. **Determine acquisitions necessary for the CDBG project:** The first step in the acquisition process is to review each of the project activities with the grant administrator, engineer/architect, grantee's staff, and council or commission to determine the specific properties that must be obtained, whether it is: a parcel of land for a water tower or for a sewer treatment site; a site and/or building for a community center; acquisitions for permanent or temporary easements for water or sewer line activities; a long term lease (50 years or more); or, rights of way for a street or rail spur for an industrial park project. An acquisition is defined as either a purchase or a donation under the Uniform Act.

NOTE: The Uniform Act steps for a parcel or an easement "donation" is discussed below under Step 4 Donation.

2. **Establish title evidence to determine actual ownership:** The second step in the process is to obtain title evidence, that is, the deed and the legal description of the property. Review the county recorder of deeds' records to determine the actual property owner(s) and review the deed and legal description of the property to determine if there are any existing easements or liens.

NOTE: CDBG acquisition funds may not be used to remove liens or to perfect the owner's title. Title defects must be cleared by and at the expense of the property owner(s), or with a non-CDBG source of funds.

3. **Provide Preliminary Acquisition Notice/Notice of Interest, and HUD Brochure:**

For full fee simple title, long term lease, and right of way acquisition:

- i. Provide owner with a preliminary acquisition notice letter, and
- ii. Provide HUD brochure "When a Public Agency Acquires Your Property"

The Notice, inclusive of the HUD Brochure, must be sent by regular mail, certified or registered mail with return receipt requested, or hand delivered. If delivered by regular mail or hand delivered the signature of the property owner and the date it was received is required to document receipt. Copies of the grantee's Notice and all other acquisition compliance records should be maintained in individual files established under the name of each property owner who donated or sold their property to the project.

(A sample preliminary acquisition notice letter and the HUD Brochure, “When a Public Agency Acquires Your Property” are in the appendix to this chapter.)

For permanent and temporary easements acquisitions:

- i. Provide CDBG Easement brochure as the formal notice to inform the property owner(s) of their rights under the Uniform Act.

This brochure can be sent by regular mail, certified or registered mail with return receipt requested, or hand delivered. If delivered by regular mail or hand delivered, the signature of the property owner and date received are required. Copies of this notice/brochure and all other acquisition records should be maintained in separate files established for each easement acquired from each property owner. If Rural Development, DNR, or any other agency has funds in the project, the easement brochure must still be provided to each property owner. The CDBG Easement brochure is in the appendix of this chapter.

4. **Donations:** No provision of the Uniform Act (UA) regulation prevents a person, after being fully informed of their UA right of just compensation based on a review of available data or an appraisal of their real property, from donating their property or easement to the grantee or subgrantee for a CDBG-assisted project. The property owner must also be informed of their right to accompany the appraiser during that appraisal visit.

Because a property owner is entitled to just compensation under the Uniform Act, a donation should never be assumed. A “Waiver of Just Compensation” form should be prepared by the grantee for the property owner’s signature after the property owner voluntarily agrees to donate their easement or parcel of land and/or building.

- The waiver should clearly state that the owner understands that she/he cannot be required to donate the property or to sell it to the grantee at less than the amount of the appraised value and that the owner voluntarily agrees to donate.
- The waiver should clearly state the property owner’s intent to voluntarily release the grantee of its UA obligation to determine a just compensation amount based upon an appraisal, after being fully informed of their rights under the Uniform Act.
- Because a property owner is entitled to an appraisal or a determination of value before making a decision to donate, it is incumbent on the grantee to document that the owner was made aware of their appraisal right before obtaining the signed waiver.
- Documentation requires a waiver signed by each property owner that states the above. The signed waiver must be kept in each property owner’s acquisition file by the grantee.
- Sample “waiver” forms are in the appendix of this Acquisition Chapter.
- A grantee may document that a property owner was fully informed of their UA rights by documenting their receipt of a CDBG Easement Brochure or a preliminary acquisition notice.

Keep in mind that a donation is the property owner’s voluntary relinquishment of their land or easement for free to the grantee, after being fully informed of their Uniform Act rights. Then, the specific property is conveyed to the grantee by written consent of the owner.

- Here the property owner agrees to transfer full title of a parcel of their land, or grant a permanent and/or temporary easement, or establish a lease of 50 years or less, or grant right-of-way interest without receiving a payment for just compensation.
- However, the grantee is responsible for paying all incidental costs and fees associated with the transfer of title and recording the property in the grantee's or subgrantee's name. Under the Uniform Act process, a property owner must not incur any costs, unless that costs pertains to the owner's title perfection.

In summary, during the donation process, a grantee **must** issue/provide to the property owner:

- A Preliminary Acquisition Notice letter and the HUD brochure titled, "When a Public Agency Acquires Your Property" for parcel donations;
- When applicable, the grantee has the option of providing the CDBG Easement Brochure to inform the property owner of their UA rights;
- Obtain the signed "Waiver of Just Compensation and Appraisal Rights" from the property owner, if applicable;
- Determination of Value: Grantee must document in writing, in the project files, how "market value" was determined if the property or the easement is determined to be \$25,000 or less. A knowledgeable real estate agent's or appraiser's written opinion of value may be used to document the grantee's "determination of value";
- If the right to an appraisal was not waived, the grantee must appraise property and use the sample "Waiver of Only Just Compensation Right" form. The grantee must provide the amount of the market value on that waiver form. See sample "Waiver of Only Just Compensation Right" form in the appendix to this chapter; and,
- Promptly record all property deeds and easements and pay recording fees and applicable prorated taxes.

**5. Appraisals and Review Appraisals:** Both an appraisal and a review appraisal are required if the value of the property or easement exceeds \$25,000.

Both may also be used to determine the value of properties valued at \$25,000 or less, but they are not absolutely required, under the UA, when the estimated value is \$25,000 or less. However, an official written determination of value must be made and in each property owner's acquisition file, even when the estimated value is \$25,000 or less.

**Appraisal Requirements:**

- When an appraisal is required for compliance with the Uniform Act, the grantee must procure both a licensed Missouri appraiser and a review appraiser in accordance with the CDBG competitive proposal method. For a listing of licensed appraisers, you may contact the Missouri Department of Insurance, Financial Institutions & Professional Registration at their website or phone number below.
  - [www.pr.mo.gov/listings-realestapp.asp](http://www.pr.mo.gov/listings-realestapp.asp)
  - Call: Missouri Dept. of Insurance, Financial Institutions, & Professional Registration 573/751-4126

- Missouri Real Estate Appraisers Commission 573/751-0038;  
[www.pr.mo.gov/appraisers.asp](http://www.pr.mo.gov/appraisers.asp)
- No appraiser shall have an interest in the property to be acquired.
- A professional service contract, that includes the requisite civil rights provisions in DED's Appendix 1, must be executed with both the project's appraiser and review appraiser.
- A sample HUD appraisal contract is available upon request from CDBG; however, DED recommends the use of the standard appraisal contract used by licensed Missouri appraisers. Include the Appendix 1 civil rights provisions as part of the appraiser's and the review appraiser's contracts. See Chap 8 Contract Management for Appendix 1.
- The Uniform Act requires the grantee or their appraiser to invite the property owner to accompany her/him during the appraisal inspection of the property.
- The Act also requires that the appraiser not consider race, color, religion, or the ethnic characteristics of a neighborhood in estimating the value of the property.
- The appraiser shall disregard any decrease or increase in fair market value of the real property caused by the project to the extent permitted by applicable state law.
- Both the appraisal and review appraisal must be maintained in the grantee's individual acquisition file for each property owner.

#### **Review Appraisal Requirements:**

The grantee must conduct a review appraisal of all completed appraisals. A licensed Missouri appraiser, independent of the first appraiser, must do the review appraisal. The review appraiser and the original property appraiser cannot be from the same firm.

- The review appraisal must be written. It should focus on the adequacy of the first appraiser's supporting data, methodology, and the soundness of the first appraiser's opinion of fair market value based on that information.
- The review appraisal is only a review and not a second full appraisal.
- The review appraiser should also provide a recommendation as to the fair market value of the property (include in RFP and subsequent contract).
- If the review appraiser's amount differs from the original appraisal, the grantee must:
  - use the review appraiser's recommended fair market value; or,
  - secure an additional appraisal; or,
  - have the original appraiser correct their appraisal consistent with the review appraiser's report.

#### **Under the Uniform Act, an Appraisal is NOT required if:**

- Donation & Waiver: Owner is donating the property and releases the grantee, in writing with a signed waiver of their UA appraisal obligation; or,
- \$25,000 or less in Value: Grantee determines that an appraisal is unnecessary because the valuation is uncomplicated and the fair market is estimated at \$25,000 or less, based on a review of "available data" (Section 24.102c(2)(ii)).

- “Available Data” may, for example, be the price per acre based on recent property sales of similar property in the area.
- Written Determination of Value: To document if a property has an estimated value of \$25,000 or less, a grantee must develop a written determination of value. It must contain supporting information, made by a “qualified person” familiar with the local property market values. Use a license real estate agent, broker, or another independent appraiser to develop the written determination of value.

**DED/SEMA Flood Buyout Projects Appraisal Procedure:**

**Appraisal and Review Appraisal Procedure for Jointly Funded SEMA/CDBG and similar CDBG-Only funded Buyout Projects:**

**NOTE: SEMA’s appraisal policy will be followed. SEMA only requires a single appraisal to determine fair market value.**

**Therefore, SEMA’s appraisal policy will be followed when CDBG funds are used by a grantee as matching funds for a jointly funded acquisition and demolition buyout project with SEMA.**

**Please see the attachment in the appendix to this Chapter at page 49 for the SEMA/CDBG Appraisal and Review Appraisal policy.**

**REVIEW APPRAISAL=DESK TOP REVIEW/PROPERTY OWNER APPEAL:**

A) Jointly Funded SEMA/CDBG Buyout Projects: Following SEMA’s policy in a jointly funded SEMA/CDBG buyout project, a review appraisal is only required if the property owner decides to appeal the fair market value determination of the original appraisal by the grantee. That property owner will have to file a formal written appeal and include their own appraisal. The property owner’s appraisal must meet Missouri’s appraisal standards.

In an appeal under a SEMA/CDBG jointly funded project, SEMA will provide a review appraiser to conduct a desktop review of both the grantee’s appraisal and the property owner’s appraisal. However, to be able to file an appeal, SEMA requires the property owner to formally agree that the review appraiser’s determination of value will be final.

B) CDBG-Only Funded Buyout Projects: With DED buyout projects that are wholly funded 100% with CDBG funds, a grantee has two options:

(1) Follow the above SEMA Process: A review appraiser must be procured by the grantee to do a desktop review of both the grantee’s original appraisal and the property’s owner’s appraisal to make a final determination of the “market value” of that property. The review appraiser’s determination of value is final for the purpose of the grantee’s final offer to the property owner. Since this process is similar to SEMA’s review appraisal process, the property owner must agree in writing to be bound by the review appraiser’s decision as being the final determination of value. If the property owner does not agree in writing, then the grantee may withdraw their

offer to the property owner because buyout projects are strictly voluntary for both the property owner and the grantee; or,

(2) Follow the standard Uniform Act appraisal and review appraisal process to determine fair market value, as described in paragraph 5 above.

**6. Prepare Statement of the Basis of the Offer of Just Compensation:**

The amount of just compensation that is offered to the property owner cannot be less than the grantee's official determination of "market value." The grantee must then prepare and include with the offer letter a written "Statement of the Basis of the Offer of Just Compensation."

The "Statement" must include: (A sample "Statement" may be found in the appendix of chapter)

- a. The amount of the offer
- b. A legal description of and location of the property
- c. The interest to be acquired (fee simple, easement, rights of way, etc.)
- d. If applicable, an inventory identifying and describing the building(s), structure(s), fixtures, etc., which are considered to be a part of the real property
- e. In the case of tenant-owned improvements, the amount determined to be just compensation for the improvement(s) consistent with the Uniform Act, 49 CFR Part 24.105(c)

**Issue Written Offer and Statement of Just Compensation:** The next step is for the grantee to formally issue to the property owner both a Written Offer amount to purchase the property inclusive of the written "Statement of the Basis of the Offer of Just Compensation." The offer letter must specify the "offer" amount, a date on which the negotiation for the sale of the property can begin, and should provide for a reasonable response date from the property owner. For acquisition purposes, 14 - 30 days is considered reasonable, UA Appendix A, 24.102(f).

**7. Successful Negotiated Settlement of the Offer:** If the initial offer is not accepted, the grantee should negotiate for the sale of the property. The owner **must** be provided a reasonable opportunity to respond to the offer, and to make a counter offer based on information she presents as relevant to determining the market value of the property. If the grantee accepts the counter offer, it must have written documentation in its project files to show that the negotiated settlement amount was reasonable, prudent and in the public interest.

If CDBG funds are used to pay the acquisition cost, the grantee shall prepare a written justification to show that the available market information (e.g., appraisals, recent court awards, estimated trial cost, or valuation problems) supported the amount of the negotiated settlement inclusive of costs of trial risk (i.e., the time and legal costs of going through the condemnation process).

Every attempt should be made to negotiate an amicable agreement with the owner. If it is believed that the cost of the condemnation proceeding or resulting delays in project implementation would be greater than the additional amount being requested by the owner, the owner's proposed higher value or a negotiated amount may be accepted, if it is a reasonable amount.

**8. If Negotiations Are Not Successful:** Send a "final offer letter" to the property owner that includes a final response deadline. The letter must not be coercive and the response deadline must be reasonable, i.e., 14 – 30 days. If the property owner fails to respond by the deadline, the grantee may exercise their statutory right of condemnation after the expiration of the deadline stated in the final offer letter.

Condemnation can be more expensive than a negotiated price, and the grantee is required to pay the amount established by the court in a condemnation proceeding. For this reason, the grantee must determine and fully document the reasonableness of the costs of proceeding to condemnation. The grantee must not take any coercive action against a property owner in order to induce an agreement for the price to be paid for their property.

**9. Transfer Title:** Once an acquisition is successful or a condemnation proceeding is completed, the following tasks remain:

- **Record the transfer of ownership of the parcel or the easement to the grantee.** The deed, easement, or the applicable form of the specific type of acquisition must be promptly recorded at the office of the County Recorder of Deeds.
- **Pay recording fees and other incidental acquisition fees.** The grantee must pay for or reimburse the property owner for incidental (reasonable) costs associated with the transfer of title. These costs include, but are not limited to, recording fees, transfer taxes, evidence of title, and the legal description.
- A grantee is not responsible for any costs required to perfect the owner's title.

**Recordkeeping to Document Performance:** It is important that the grantee keep records sufficient to document compliance with the provisions of the Uniform Act. A recommended acquisition recordkeeping system is provided below. Every acquisition document, correspondence, or form required by the 10-step acquisition process must be found in each individual property owner's project file for DED's project monitoring. Always maintain a separate file for each property owner.

**HUD's Acquisition and Relocation Handbook 1378, 6-3 Recordkeeping Requirements specifies the following documentation that a Grantee must maintain in each property owner's acquisition Project File:**

1. A list of all parcels, easements, or rights of way to be acquired.
2. Each Property Owner's Acquisition Case File must have:
  - Identification of the property owner.
  - Documentation that the property owner was informed of their Uniform Act rights:
    - Copy of preliminary acquisition notice, inclusive of HUD Acquisition Brochure; or,
    - Copy of CDBG/RD Easement brochure.
  - Copy of appraisal and review appraisal reports, and evidence that property owner was invited to accompany appraiser during appraisal inspection of their property.
  - Copy of Notice of Just Compensation Offer and the Statement for the Basis for the Offer of Just Compensation; or, determination of value if \$25,000 or less, with supporting data.
  - Copy of real estate contract and/or documents conveying the property; and the recorded deed or easement.
  - Copy of closing statement listing all incidental expenses paid HUD-1 form.
  - Evidence that the property owner received just compensation payment, i.e., copy of cancelled check.
  - Copy of any appeal and the agency's response, or condemnation report, if applicable.

## UNIFORM ACT RELOCATION REQUIREMENTS

The Uniform Act specifies the relocation payments and relocation advisory services for which a displaced person is **entitled**. Displaced individuals, families, businesses, nonprofit organizations, and farm operations are covered by the Act. Any person displaced as a result of a project's CDBG-assisted rehabilitation, demolition, or acquisition activities, **privately undertaken or public**, is entitled to relocation payments and services specified under the Act because of the use of CDBG funds in the project. The following is a brief description of a displaced person's rights under the Uniform Act. Grantees should consult the DED Compliance Team staff concerning questions about the application of the Uniform Act's relocation requirements to your project.

Relocation notices, claim forms, and other documents mentioned in this section may be obtained by request from DED or at: [www.ded.mo.gov](http://www.ded.mo.gov) or at: [www.hud.gov/relocation/publications](http://www.hud.gov/relocation/publications).

Refer to Note 1 on page 3 of this chapter for the steps to access the resource sample letters, brochures, and HUD handbook on both of these websites.

**Maintain a separate file for each project relocation. Grantees may not propose that a displaced individuals or family waive their relocation benefits under 49 CFR 24.207(f). However, the family may, after being fully informed of their Uniform Act acquisition rights, be allowed to voluntarily donate their property without just compensation and an appraisal under 24.108, or donate in lieu of receipt of their entitled relocation benefits under the Uniform Act. The property owner's acquisition waiver must be in writing.**

In planning relocation activities, grantees should consider and rectify adverse impacts of displacement on minorities, the elderly, large families, and the handicapped where applicable. Also, the Uniform Act provides that the displaced person/family be provided the choice of relocating in their present neighborhood or other neighborhoods, consistent with the grantee's responsibility to affirmatively further fair housing (49 CFR 24.8(o), 24.205(a)(1), and 24.205(c)(2)(ii)(D)).

The following section contains the procedural steps that are typically followed to complete a project's Uniform Act Relocation Activities:

1. **Document HUD National Objective in Each File:** Use the "Individual File National Objective Determination" forms to document the LMI benefit and/or slum and blight national objective for each project acquisition, relocation, and demolition. These two forms may be found at the beginning of the appendix to this chapter. A grantee must have income verification documentation, and/or slum & blight criteria documentation in each property owner's and tenant's relocation file to document that the project's activities meet a HUD National Objective.
2. **Rehabilitation/Demolition Infeasibility or Slum & Blight Determination:** A family may be displaced as a result of a CDBG project's rehabilitation, acquisition, and/or demolition activities.
  - **For Rehabilitation/Acquisition Activities:** A grantee must make an official determination that a house is not feasible to rehabilitate in order to provide relocation assistance. If the grantee's rehab inspector documents that a family's house is not feasible to rehabilitate to DED's health and safety HQS standards; and therefore, it must be demolished; that family is considered displaced. A house is considered not feasible to rehabilitate if the housing inspector's cost estimate exceeds DED's rehabilitation cost limit of \$15,000, or \$15 per square foot to rehabilitate the home to DED's health and safety HQS standards. A grantee must maintain the inspector's written cost estimate and the completed feasibility determination form in the

household's individual project files to show they have made an official feasibility determination. This determination must be made before issuing any acquisition and relocation notices.

- **For Demolition Activities/Slum & Blight National Objective:** A "Slum & Blight National Objective" form, in the appendix to this chapter, must be completed and placed in the file of each family that receives relocation assistance to show that the HUD's slum and blight national objective determination was documented. Supporting documentation (see below) must be included to show that a slum and blight determination was made which caused the resulting demolition and relocation activities to occur.
- The grantee's official slum and blight determination to document the grantee's demolition national objective may be:
  - Housing Inspector's infeasibility write up; or,
  - Housing Inspector's dangerous building or nuisance ordinance write up.

### **3. Relocation Assistance Notice and Advisory Services Description:**

Once a grantee has determined that a family will be displaced, the grantee must provide the displaced family with both a Notice of Eligibility for Relocation Assistance and with a general written description of the grantee's relocation assistance advisory services. The relocation notice and advisory services description may be included with the Preliminary Acquisition Notice.

**HUD Relocation Brochures:** The applicable HUD relocation brochure (and acquisition brochure, if applicable) must be provided with the preliminary acquisition and relocation notice(s).

**Comparable Replacement Units Must Be Offered:** At least three comparable replacement units must be offered to the displaced family in the Relocation Notice. One of the three comparables must be designated in the notice as the "most comparable replacement unit." The "asking price for that unit will be used as the amount of the relocation assistance payment for which the family will be eligible, if they are displaced from a home."

If they are being displaced from a rental dwelling, the "most comparable" rental unit will be used to calculate the amount of the rental assistance payment for which the displaced household is eligible to receive. The specific amount of relocation assistance for which a displaced family is eligible to receive must be stated in the grantee relocation notice to that household.

**Manner Required to Deliver Notices:** All required Uniform Act notices must be sent by certified mail or hand delivered, and documented with a return or signed receipt by the property owner or tenant that will be displaced.

**Notice of Eligibility for Relocation Assistance:** At the minimum, the relocation notice should inform the displaced person/family of the following:

- a. **90-Days at Minimum to Move:** Not required to move without, at the minimum, a 90-day written notice from the grantee, but may agree to move before the expiration of the 90-days.
- b. State the eligible amounts of both relocation and moving expense payments, consistent with the requirement of the Uniform Act.

- c. Offered a Specific, Available, DSS, Comparable Replacement Dwelling: A person/family cannot be required to move unless the grantee has offered at least one available, comparable replacement unit that meets HUD's decent, safe, and sanitary standards (DSS). At the minimum, the Section 8 HQS housing standards may be used by a grantee to document that a dwelling met the HUD DSS Standards, under the UA.
  - d. Advisory Services: The person/family is eligible for relocation advisory services, such as: help in filling out claim forms for both relocation and moving expense payments, referrals to comparable replacement dwellings, transportation if necessary to inspect comparable replacement units, and a personal interview to determine their advisory service needs.
  - e. Appeal Rights: The person has the right to appeal the grantee's determination of non-eligibility or the amount of moving and relocation payments through the grantee's grievance process.
  - f. Grantee's Relocation Administrator: Provide the name and telephone number of the grantee's relocation assistance administrator.
4. **Moving Expense Payment:** Displaced individuals, families, businesses, nonprofit organizations, and farm operations who are required to move because of project acquisition, rehabilitation, or demolition are eligible for a moving expenses payment, which is inclusive of utility disconnection and/or hookup costs. Anyone who is displaced, regardless of length of occupancy, is eligible to receive a moving expense payment. Under the Uniform Act, the displaced family has the discretion to choose between receiving a "fixed" moving expense payment or a payment for "actual" moving expenses.
    - **Moving Expense Payments:** "Actual" or "fixed" moving expenses must be documented with a moving expense claim form. A grantee must have a completed, signed claim form in order to make a moving expense payment to a displaced family or individual.
    - **Fixed Moving Expense Payment:** The amount of the "fixed" moving expense payment for individuals and families is based on a published U.S. DOT/HUD schedule, so please consult with your DED compliance specialist to obtain the most recent schedule (49 CFR 24.302). [www.hud.gov/relocation](http://www.hud.gov/relocation)
    - **Actual Moving Expense Payment:** The payment of "actual" moving expenses must be documented in each displaced person's file with copies of canceled checks and attached receipts 49 CFR 24.301(a)(ii).
    - **Eligible Moving Expenses:** are transportation costs within 50 miles, packing, crating, storage, insurance, and other reasonable and necessary costs under the Uniform Act (49 CFR 24.301(g)).
  5. **Relocation Assistance Payment:** Individuals and families are entitled to a relocation assistance payment for a comparable dwelling. The payment can take the form of rental differential, down payment, comparable replacement housing, or last resort housing assistance. Displaced

businesses, nonprofit organizations, and farm operations are also entitled to a payment for relocation expenses.

- **Relocation Assistance Claim Form(s):** A grantee must receive a completed, signed relocation assistance payment claim form before a relocation assistance payment can be made to a displaced individual or family. Claim forms may be found at the HUD website address cited in the first paragraph of the Relocation section of this chapter. The claim form must be reviewed and approved by the grantee prior to making payment to the displaced family.

**6. Three Types of Standard Relocation Assistance Payments:** The Uniform Act covers two basic classifications of displaced persons and includes the following two occupancy eligibility requirements and three types of payments:

- a. **180-day Homeowner is eligible for a Replacement Housing Payment (49 CFR 24.401):** This person or family must have owned and occupied the displacement dwelling that they are living in at least 180 days prior to the initiation of acquisition negotiations and purchased and occupied a decent, safe, and sanitary comparable replacement house. This payment is limited to, but may exceed the benchmark of \$22,500.

It is calculated by summing the:

- i. Full price differential between the displacement home and the replacement home;

<i>Replacement dwelling purchase price:</i>	<i>\$51,500</i>
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<i>Less Displacement dwelling purchase price:</i>	<i><u>26,500</u></i>
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<i>Differential</i>	<i>=<u>\$25,000</u></i>
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- ii. plus all increased mortgage interest cost, necessary to retain the same monthly mortgage payment and based on buy-down method (example: mortgage buy-down and other debt service cost), if applicable;

<i>+<u>\$ 2,000</u></i>
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- iii. plus all incidental expenses (e.g., recording fees, prorated taxes, appraisal fees, notary fees, boundary surveys, termite inspection, title insurance, deed preparation, etc.);

<i>+<u>1,300</u></i>
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<i>Total Housing Replacement Payment</i>	<i>=<u>\$28,300</u></i>
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A 180-day claim form must be filed with the grantee by the displaced family before the grantee may process the relocation payment.

An alternative method to the above example is for the displaced family to donate their displacement dwelling and receive the full price of the replacement dwelling. This step eliminates the appraisal and review appraisal costs, but accomplishes the purchase of the same replacement unit.

**90-day Tenants or Homeowners who have (49 CFR 24.402):**

- i. Occupied the dwelling from which they will be displaced for not less than 90 days immediately prior to the initiation of the acquisition negotiations,

- ii. rented or purchased and occupied a decent, safe, and sanitary replacement unit; and
- iii. filed their relocation assistance claim form with the grantee within one year of moving to their replacement dwelling, will receive a relocation payment.

The 90-day tenant or homeowner is eligible to choose between one of the following two forms of payment:

- i. Rental Assistance Payment not to exceed \$5,250\*. Payment may be made in a lump sum or averaged over several months, not to exceed 42 months. Payments are calculated by adding the monthly rent and estimated utilities cost of the lesser of either the **comparable replacement unit** or the **actual replacement unit** and then subtracting the same monthly costs of the **displaced dwelling**. A claim form for a rental assistance payment must be approved by the grantee and maintained in their relocation file.

<i>Example:</i>	<i>Replacement unit monthly rent</i>	\$350.00
	<i>Replacement unit average monthly utilities</i>	+ 150.00
	<i>Replacement unit base monthly cost</i>	<u>\$500.00</u>
	<i>Less displaced dwelling base monthly cost</i>	- 350.00
	<i>Averaged monthly differential</i>	<u>\$150.00</u>
	<i>X 42 month limit</i>	x 42
	<i>Rental Assistance Payment</i>	<u>\$6,300.00</u>

\*The displaced dwelling monthly cost may also be calculated using 30% of the displaced person's average monthly gross household income or the amount designated for rent and utilities if the displaced person is receiving a public assistance payment. For determining the amount of the relocation payment, the lesser of these two calculations should be used.

The replacement rental unit selected by the displaced person must be inspected by the grantee and found to meet HUD's decent, safe, and sanitary standards (DSS) at (24.2(a)(8) and 24.401(a)(2).

**Down Payment Assistance Payment (49 CFR 24.402c):** It is also limited to \$5,250. Here, the relocation assistance payment is available to a 90-day tenant who chooses and qualifies to **purchase** a replacement home.

This dwelling must also meet HUD's decent, safe, and sanitary standards (DSS). This payment is calculated in the same way as the above rental assistance payment. The displaced family must file a down payment assistance claim form with the grantee. The claim form must be processed before the grantee can make payment.

- 7. **Replacement Housing of Last Resort 49 CFR 24.404:** If the grantee formally determines that comparable replacement sale or rental housing is not available, then last resort housing may be provided to the displaced family by the grantee. A displaced family may also request that the last resort housing be placed on their existing lot. Last resort housing shall be provided on a reasonable cost basis.

**Methods for Providing Replacement Housing of Last Resort:** The activities for providing replacement housing of last resort assistance includes, but is not limited to:

- b. Rehabilitation of and/or additions to an existing replacement dwelling;
- c. Relocation to and, if necessary, the rehabilitation of a dwelling to DSS;
- d. Construction of a new replacement dwelling;
- e. Removal of barriers for persons with disabilities; or,
- f. Meeting the handicapped adaptability and accessibility design and construction requirements

8. **Optional Relocation:** Under Section 105(a)(11) of the Housing and Community Development Act, the State may permit a grantee to provide alternative relocation payments and other relocation assistance to persons displaced by a grantee's project activities. The assistance shall only be provided upon the basis of a uniform written policy that is publicly adopted by the grantee. The adopted policy shall describe the relocation assistance to be provided on an equal basis for each class of displaced families.
9. **Re-establishment Expenses Payment:** Small businesses, farm operations, or nonprofit organizations are eligible to receive a payment for expenses actually incurred in re-establishing their operation at the replacement site. Expenses must be documented and be reasonable and necessary. Please contact your DED Compliance Specialist for this claim form, HUD brochure, and the sample notice letter for this type of relocation, or download it from our website.
10. **Advance Relocation Payments:** If a person demonstrates the need for an advance relocation payment in order to avoid or reduce a hardship, the grantee shall issue the payment, subject to safeguards that are appropriate to ensure that the objective of the payment is accomplished.
11. **Notice of Denial of Claim and Right of Appeal:** The Uniform Act allows a relocation applicant the right to appeal a grantee's denial of eligibility of their relocation assistance claim, or to appeal the grantee's determination of the amount of relocation assistance. All grantees must incorporate this right of appeal in their project's adopted guidelines and grievance procedure.

## ADDITIONAL RELOCATION ASSISTANCE RECORDKEEPING REQUIREMENTS

1. **List of Occupants:** For each project, the grantee's files shall include a list or lists identifying the name, address, and race/ethnicity, age, and gender if single head of household.
2. **Description of Relocation Advisory Services:** A general description of the grantee's relocation advisory services for which the person may be eligible, including assistance to relocate to a comparable replacement dwelling, basic eligibility requirements, and procedures for obtaining payments. The grantee's advisory services descriptions can be in the form of a booklet or leaflets.
3. **Offer of 3 Comparable DSS Replacement Dwellings:** Identification of actual replacement properties (addresses), rent/utility costs or sale prices of the dwellings), and currently available for sale or rent. Designate which property is the “most comparable replacement dwelling.”
4. **Decent, Safe, and Sanitary Inspection:** Copies of the offered comparable replacement dwellings inspection reports showing the date of inspection and that each dwelling met HUD's DSS HQS.
5. **Project Contact Log:** Maintain a relocatee contact log in the file of each displaced household.

## RESIDENTIAL ANTI-DISPLACEMENT AND RELOCATION ASSISTANCE PLAN REQUIREMENTS, SECTION 104(D) OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

**Purpose:** The Section 104(d) relocation requirements are designed to protect from depletion, by **demolition** or **conversion** to another use (i.e., parking lot or condos), the available stock of low/moderate-income houses or apartments in CDBG assisted projects. Therefore, grantees undertaking any demolition activities must pay attention to these requirements, whether they are acquiring and rehabilitating a house to a condo, acquiring and demolishing a house for a parking lot and relocating the occupant, or demolishing any residential structure.

Section 104(d) one-for-one replacement requirements apply to structures that have been vacant for less than 12 months and meets the statute's definition of "occupiable." Therefore, a grantee is required to replace any residential structure that it plans to demolish on a one-for-one basis if that residence or apartment building has been vacant for less than 12 months and is occupiable. See below, the Section 104(d) definition of "vacant occupiable dwelling unit" and "substandard dwelling unit but suitable for rehabilitation."

**Public Policy:** The policy purpose is to ensure affordable housing for LMI households by encouraging their rehabilitation or replacement, when those dwelling units become subject to possible demolition with the use of CDBG funds.

**Section 104(d) CDBG Application Certification:** Section 104(d) requires that before a CDBG grant can be awarded, a grantee **must** certify that it is following a "Residential Anti-Displacement Plan." All grantees submit this certification in the form of their "Sample Plan" (Form N) with their grant application. However, should a Section 104(d) demolition or conversion occur during the implementation of your project, an amended Section 104(d) plan must be submitted to the DED staff for review and approval, **prior to** the initiation of the demolition and/or conversion activities.

### **Steps for Section 104(d) Compliance:**

A grantee **must** obtain CDBG review and approval of their amended plan **prior to** CDBG funds being drawn down for those demolition, acquisition, and/or relocation activities.

- An Amended Section 104(d) Notice must also be published prior to the 104(d) activities.
- The grantee's amended plan must comply with the Section 104(d) **one-for-one replacement requirements**.
- Under the one-for-one replacement rule:  
all "**occupied**" and "**vacant occupiable**" low/moderate-income dwelling units  
that are **demolished** or **converted** to a use other than as low/moderate-income dwelling units  
as a direct result of project activities assisted with CDBG funds  
**must** be replaced with low/moderate-income dwellings units
- A "vacant occupiable dwelling unit" is defined as a vacant unit that is in:
  - standard condition = meets a federal or local HQS; or,
  - substandard condition, but is suitable for rehabilitation; or,

- any condition and has been occupied within the 12 months preceding the date of the contract between the grantee and the property owner whose dwelling structure will be demolished or converted.
- The State defines "substandard dwelling unit but suitable for rehabilitation" as the costs to rehabilitate the finished space of the unit to DED Health and Safety Standards. That cost may not exceed \$15,000 or \$15 per square foot of finished space.
- Replacement Dwellings: In a DED redevelopment project, a grantee may rehabilitate a dwelling that has been vacant at least 90 days and use it as their Section 104(d) one-for-one replacement unit. The rehabilitated dwelling must be affordable to LMI households.
- Affordable Replacement Unit: The unit must remain affordable to LMI households for at least 10 years. A unit is affordable:
  - if the mortgage or rent and average utilities do not exceed the current HUD fair market rent schedule; or,
  - the rent and average utilities do not exceed 30% of a LMI family's household income. DED recommends that the rent and average utilities do not exceed 25% of a LMI family's household income.

**Exception to Section 104d One-for-One Replacement Rule:** Section 104(d) provides for an exception to the one-for-one replacement requirement. The one-for-one replacement requirement will not apply if there is an adequate supply of **available**, vacant low/moderate-income dwelling units in standard condition in the grantee's jurisdiction.

To support an exception request, a grantee must provide DED with documentation of an excess supply of available vacant homes and/or apartments that are affordable to LMI families. Here, DED's finding of an "exception" is subject to HUD's review and approval.

**Section 104(d) Requirements Not Applicable When:** Section 104(d) one-for-one replacement requirement do not apply to any LMI dwelling unit that has been vacant for more than 12 months. Therefore, in a DED demolition-only project, a grantee may only demolish substandard dwellings that have been vacant for more than 12-months.

**Section 104(d) Relocation Assistance.** Persons of LMI households who are displaced from their dwelling as a result of the demolition of any housing unit or the conversion of a low/moderate income unit to another use (e.g., condo or commercial use) must be provided with the following relocation assistance by the grantee:

1. Advisory services
2. Actual or fixed moving expenses as described in the Uniform Act
3. Reimbursement for reasonable and necessary security deposit and credit checks
4. Replacement housing assistance payment. The replacement housing assistance for a 180-day homeowner is identical to that discussed under the Uniform Relocation Act section of this chapter.
5. The grantee must offer a person choosing to rent the following relocation assistance:
  - Section 8 housing voucher/certificate and referrals to comparable replacement units where the owner agrees to participate in the Section 8 Program; or

- Cash rental assistance to reduce the rent and utility cost to 30% of the gross household income for 60 months. Grantee must provide the displaced person or family with appropriate referrals to comparable replacement rental units.

**Note:** Document payment with a signed Section 104(d) claim form and a copy of the canceled check.

**Uniform Act Relocation Downpayment Assistance Option:** A displaced household may choose Uniform Act Relocation Assistance instead of the Section 104(d) relocation assistance described above. Here, the 42-months of Uniform Act rental assistance may be used in lump sum as downpayment assistance to purchase a house that meets HUD's DSS HQS standards. Here, the Uniform Act assistance is a viable option for displaced occupants who want to purchase a home rather than continue to rent. Although, the 42-months of Uniform Act rental assistance may be used as downpayment assistance for a Section 104(d) displaced family, the regulations do not allow for the 60-month Section 104(d) rental assistance payment to be used for the purpose of downpayment assistance.

### **Re-use Plans**

A lot or property re-use plan must be submitted by a grantee when a parcel or lot has been acquired and cleared for future redevelopment. The reuse of the cleared lots must meet a HUD national objective. It applies to both residential and commercial demolition projects.

If the acquisition and demolition activities are based on meeting the 51% LMI benefit national objective, the grantee must submit a reuse plan to DED to document that a LMI benefit will or has occurred. The reuse plan must be submitted and approved by DED prior to the grantee's approved reuse activity on the cleared lot/parcel. For example, the cleared lots will be used for LMI families to build affordable homes.

If the acquisition and demolition activities are based on achieving the national objective of eliminating slum and blight, a reuse plan is not required for DED's "demolition-only" projects. DED's demolition-only projects are not designed for immediate post-project redevelopment.

With a commercial demolition project, a reuse plan is required if the redevelopment activity of that lot will immediately follow the project's demolition activity.

In the reuse plan, the grantee must document that the demolition activity meets one of DED's slum and blight criterion and/or a LMI objective. DED must approve the plan prior to the demolition activity.

### **CDBG MONITORING**

In this, as in other compliance areas, DED is responsible for monitoring for compliance with applicable Federal and State laws and regulations. In conducting monitoring reviews of activities, DED compliance staff will use the Acquisition and the Relocation Checklists from Chapter 1 of the Administration Chapter of this manual.

Please do not hesitate to call your CDBG Field Representative or the staff Acquisition Specialist regarding any questions you might have. Also, do not hesitate to download or call for brochures, forms, sample notices, or waiver forms. In addition to the forms and materials included or mentioned in this chapter, HUD & CDBG brochures, claim forms, and regulations are available at:

1. [www.hud.gov/offices/cpd/library/relocation/publications](http://www.hud.gov/offices/cpd/library/relocation/publications)
2. [www.mo.ded.mo.gov](http://www.mo.ded.mo.gov) (Refer to directions in Note 1, page 3 of this Chapter)



## INDIVIDUAL FILE NATIONAL OBJECTIVE DETERMINATION

### LMI NATIONAL OBJECTIVE DETERMINATION

Applicant:		
Address:		
City:	State: MO	Zip:
Number of Members in Household:		
Sources of Income:		
Name	Source	Amount
1.		
2.		
3.		
4.		
5.		
6.		
7.		
Total Household Income: \$		
County Where Dwelling is Located:		
County's LMI Income Limit for that Size Household: \$		
LMI Income Eligible?		<input type="checkbox"/> Yes <input type="checkbox"/> No



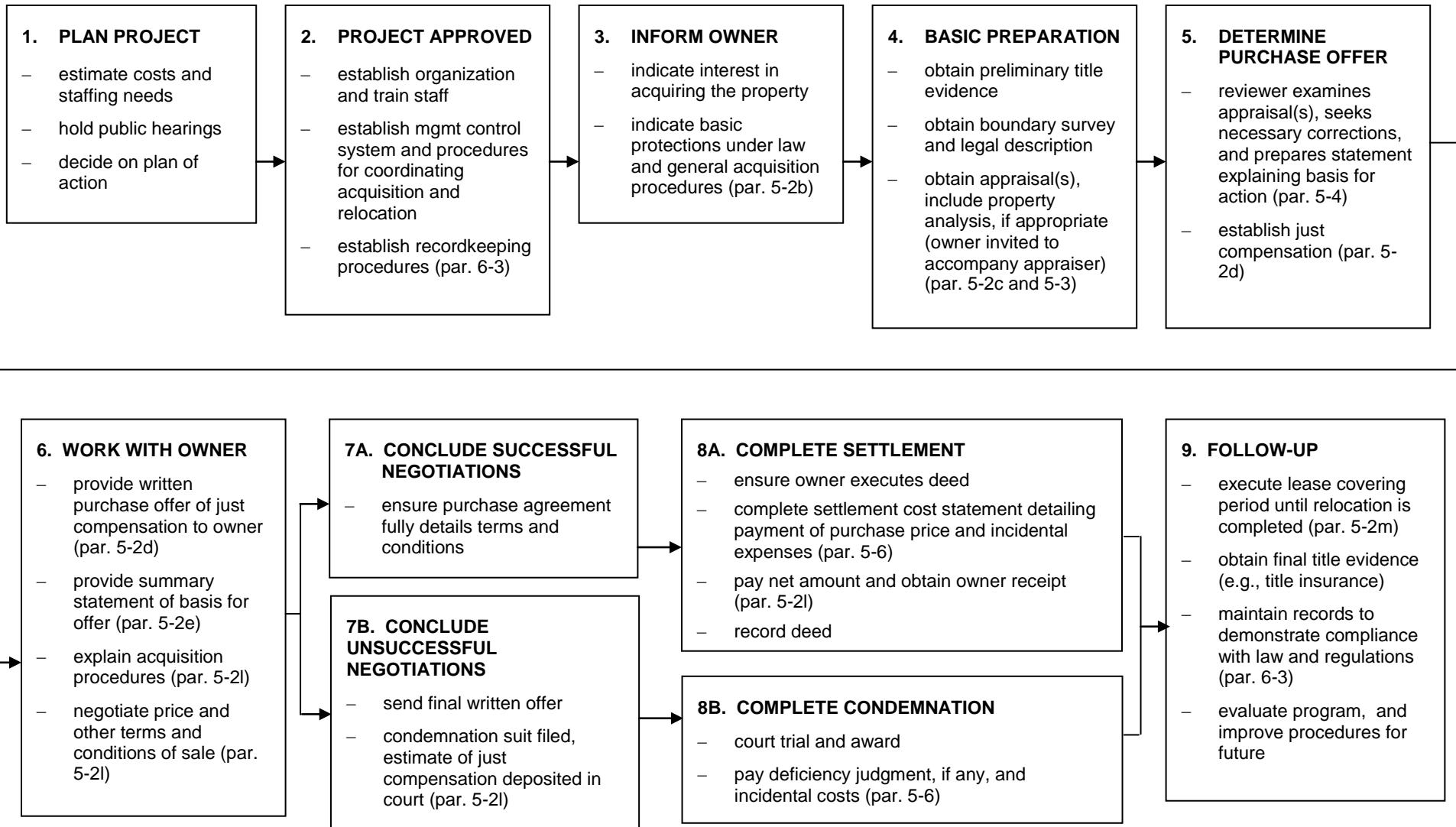
**INDIVIDUAL FILE NATIONAL OBJECTIVE DETERMINATION  
SLUM & BLIGHT NATIONAL OBJECTIVE DETERMINATION**

Applicant/Owner:		
Address:		City:
Method of Slum & Blight Determination:		
1) Cited Under Grantee's Unsafe Building Ordinance?		
<input type="checkbox"/> Yes	<input type="checkbox"/> No	Date:
Citation In File?		<input type="checkbox"/> Yes <input type="checkbox"/> No
2) Determined Not Feasible to Rehabilitate:		
Inspector's Cost Estimate in the File?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Amount? \$	Square Footage of Subject Property?	
Amount to Rehab per Square Foot? \$		
Greater than \$15 per Square Foot?		
Less than \$15 per Square Foot?		
Approved by Grantee?:	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Date:		
3) RSMO 353 Slum & Blight Process Followed/House Bill No. 1944?		
353/House Bill 1944 Process documentation in file?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Date 353/House Bill 1944 process completed by grantee:		
4) Is property owner's demolition consent form in the file?		<input type="checkbox"/> Yes <input type="checkbox"/> No

## ACQUISITION PROCESS UNDER THE URA\*

\*Uniform Relocation Act Rules Effective 4/2/89 (HUD Handbook 1378)

**Note:** Paragraph numbers refer to HUD



**GENERAL URA ACQUISITION PROCESS**  
(Refer to 49 CFR 24 Subpart B for detailed acquisition requirements)

VOLUNTARY ACQUISITIONS 49 CFR 24.101(b)(1)-(5)	INVOLUNTARY ACQUISITIONS 49 CFR 24.101(a) & (b)
<i>Determine if proposed acquisition satisfies criteria and requirements of 24.101(b)(1)-(5). If acquisition doesn't meet criteria (e.g., is subject to threat or use of eminent domain), refer to involuntary acquisition process and comply with 49 CFR 24 Subpart B requirements.</i>	<i>Determine if proposed acquisition is subject to threat or use of eminent domain. If not subject to eminent domain, refer to voluntary acquisition process and comply with applicable requirements of 49 CFR 24.101(b)(1)-(5).</i>
<b>24.101(b)(1) - Agencies with eminent domain authority but will not use: must meet all conditions of 24.101(b)(1)(i) – (iv). (see esp. 24.101(b)(1)(i) &amp; (ii))</b>	* Notify owner of agency's interest in acquiring property and protections under the Uniform Act (see 24.102(b)) <i>(Optional: issue Notice of Intent to Acquire (see 24.203(d)))</i>
* Agency will not acquire property if negotiations fail, and owner is so informed in writing (see 24.101(b)(1)(iii))	* Appraise property and invite owner to accompany appraiser (see 24.102(c))
* Agency informs owner in writing of property's estimated market value (see 24.101(b)(iv))	* Review the appraisal (see 24.104)
* Owner/s & owner occupants not eligible for relocation assistance / displaced tenants may be eligible (see 24.2(a)(9)(ii))	* Establish estimate of just compensation for property (see 24.102(d))
<b>24.101(b)(2) – Agencies or persons without eminent domain authority:</b>	* Provide owner with written offer and summary statement for property (see 24.102(e))
* Prior to offer, inform owner unable to acquire if negotiations fail (see 24.101(b)(2)(i))	* Negotiate with owner for purchase of property (see 24.102(f))
* Inform owner of property's estimated market value (see 24.101(b)(2)(ii))	* If negotiations successful, complete sale and reimburse property owner for related incidental expenses (see 24.106)
* Owner/s & owner occupants not eligible for relocation assistance / displaced tenants may be eligible (see 24.2(a)(9)(ii))	* If negotiations unsuccessful, consider an administrative settlement (see 24.102(i))
<b>24.101(b)(3) – Acquisition from a Federal agency, State, or State agency, if acquiring agency without eminent domain authority:</b>	* If negotiations still unsuccessful, consider acquiring property through eminent domain.
* Owner/s & owner occupants not eligible for relocation assistance / displaced tenants may be eligible (see 24.2(a)(9)(ii))	* Displaced persons eligible for relocation assistance (see 24.2(a)(9)(i))

## CDBG Project Easements Brochure

### INTRODUCTION

Community Development Block Grant (CDBG) funded water and sewer improvements usually involve the installation or replacement of utility lines on the properties of existing or future customers. The donation of easements for these lines is a cost saving mechanism to successfully provide your community with safe water or safe waste disposal. To familiarize you with the donation process, we have prepared this informational brochure.

The donation of an easement, where federal funds are involved in a project, are governed by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. It is commonly referred to as the Uniform Act. The procedures under the Act can be separated into five steps.

They are:

1. Notice of Project
2. Notice of Uniform Act Rights
3. Donation & Recording Easement
4. Negotiation, if necessary
5. Eminent Domain, if necessary

### NOTICE OF PROJECT

This easement brochure is your notice of our jointly funded CDBG public facility project and of our need for your easement as part of this project. To make the project more cost effective for all residents, you are respectfully asked to donate your easement for the benefit of this project.

### NOTICE OF UNIFORM ACT RIGHTS

Under the Uniform Act, an easement owner has three basic rights:

1. Just Compensation
2. Appraisal & Review Appraisal
3. Right to Accompany Appraiser

Appraisals are not required for easements valued at \$10,000 or less, but a determination of market value must be made and documented.

### DONATIONS

An owner may donate their easement for this project after being informed of the above rights.

The donation procedure is a very important tool for public agencies, since most have limited resources. Often, the value of the

easement donation is more than offset by the future benefits received by the owner from the publicly owned water or sewer utility that will be provided.

Easement owners, after having been informed of their Uniform Act rights, are asked to waive those rights and to donate their easement to the project. After agreeing to donate, the easement owner will be asked to sign a Waiver of both Just Compensation and Appraisal rights, and to formally record the easement at the County Recorder of Deeds. The city, county, or district will pay recording fees.

### NEGOTIATION

Although an easement owner is not required to donate to receive the specific water or sewer service provided by the project, we strongly encourage donation for the public good. If you decide instead to request just compensation, you may accept the city's offer of just compensation based on either the appraisal or the determination of value, or make a counter offer. In fairness to both property owners and taxpayers, offers must be based on the facts and not on one's ability to negotiate. If you present additional facts or items of value that were not considered in any valuation of your property, an adjustment will be considered.

and a revised offer may be presented to you. If the amount of just compensation cannot be reached through negotiation, then the laws of condemnation/ eminent domain will have to be exercised by the city, county, or district.

## **CONDEMNATION/EMINENT DOMAIN**

The state statutes allow a city, county, or district to acquire an easement by exercising their statutory right of condemnation. This process is initiated by the public agency filing a condemnation petition. If the court determines that the petition is proper, then three condemnation commissioners will be appointed to determine the value of the easement. The court-appointed commissioners, after considering the facts, make their determination of value and file their report with the clerk of the court. After their report is filed with the court, the local public agency must deposit the amount established by the commissioners with the circuit clerk. Exceptions to the commission's easement value may be filed by either the property owner or the public entity within 10-days of the filing the report, otherwise their amount of just compensation becomes final.

## **CONCLUSION**

We strongly encourage you to donate your easement for the success of this project. Your donation will result in a more cost-effective public benefit to you and all of the users of this public facility project.

If you have any additional questions after reading this brochure, please contact the organization listed below:

Agency: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Office Hours: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Property Owner's Signature:  
\_\_\_\_\_  
\_\_\_\_\_

**State of Missouri  
Department of  
Economic Development  
State CDBG Program**

# **Project Easements**

For: \_\_\_\_\_

(Title of project Grantee or District)

Funded by: \_\_\_\_\_

(Grantee, District, CDBG, RD, DNR)

**WHEN A PUBLIC AGENCY  
ACQUIRES YOUR PROPERTY**

[www.hud.gov/relocation](http://www.hud.gov/relocation)

**U.S. Department of Housing  
and Urban Development**  
Office of Community Planning  
and Development

**Introduction**

This booklet describes important features of the **Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970**, as amended (URA) and provides general information about public acquisition of real property (real estate) that should be useful to you.

Most acquisitions of real property by a public agency for a Federal project or a project in which Federal funds are used are covered by the URA. If you are notified that your property will be acquired for such a project, it is important that you learn your rights under this important law.

This booklet may not answer all of your questions. If you have more questions about the acquisition of your property, contact the Agency responsible for the project. (Check the back of this booklet for the name of the person to contact at the Agency.) Ask your questions before you sell your property. Afterwards, it may be too late.

**General Questions**

**What Right Has Any Public Agency To Acquire My Property?**

The Federal Government and every State government have certain powers which are necessary for them to operate effectively. For example, they have the power to levy taxes and the power to maintain order. Another government power is the power to acquire private property for public purposes. This is known as the power of eminent domain.

The rights of each of us are protected, however, by the Fifth and Fourteenth Amendments of the U.S. Constitution and by State constitutions and eminent domain laws which guarantee that if a public agency takes private property it must pay "just compensation" to the owner. The URA provides additional protections, as explained in this booklet.

**Who Made The Decision To Buy My Property?**

The decision to acquire a property for a public project usually involves many persons and many determinations. The final determination to proceed with the project is made only after a thorough review which may include public hearings to obtain the views of interested citizens.

If you have any questions about the project or the selection of your property for acquisition, you should ask a representative of the Agency which is responsible for the

project.

### **How Will The Agency Determine How Much To Offer Me For My Property?**

Before making you an offer, the Agency will obtain at least one appraisal of your property by a competent real property appraiser who is familiar with local property values. The appraiser will inspect your property and prepare a report that includes his or her professional opinion of its current fair market value. After the appraiser has completed his work, a review appraiser will examine the appraisal report to assure that the estimate is fair and the work conforms with professional appraisal standards.

The Agency must offer you "just compensation" for your property. This amount cannot be less than the appraised fair market value of the property. "Just compensation" for your property does not take into account your relocation needs. If you are eligible for relocation assistance, it will be additional.

### **What Is Fair Market Value?**

Fair market value is sometimes defined as that amount of money which would probably be paid for a property in a sale between a willing seller, who does not have to sell, and a willing buyer, who does not have to buy. In some areas a different term or definition may be used.

The fair market value of a property is generally considered to be "just compensation." Fair market value does not take into account intangible elements such as sentimental value, good will, business profits, or any special value that your property may have for you or for the Agency.

### **How Does An Appraiser Determine The Fair Market Value Of My Property?**

Each parcel of real property is different and therefore no single formula can be devised to appraise all properties. Among the factors an appraiser typically considers in estimating the value of real property are:

- How it compares with similar properties in the area that have been sold recently.
- How much rental income it could produce.
- How much it would cost to reproduce the buildings and other structures, less any depreciation.

### **Will I Have A Chance To Talk To The Appraiser?**

Yes. You will be contacted and given the opportunity to accompany the appraiser on his or her inspection of your property. You may then inform the appraiser of any special features which you believe may add to the value of your property. It is in your best interest to provide the appraiser with all the useful information you can in order to insure that nothing of allowable value will be overlooked. If you are unable to meet with the appraiser, you may wish to have a person who is familiar with your property represent you.

### **How Soon Will I Receive A Written Purchase Offer?**

Generally, this will depend on the amount of work required to appraise your property. In the case of a typical single-family house, it is usually possible to make a written purchase offer within 45 to 60 days of the date an appraiser is selected to appraise the property.

Promptly after the appraisal has been reviewed (and any necessary corrections obtained), the Agency will determine just compensation and give you a written purchase offer in that amount along with a "summary statement," explaining the basis for the offer. No negotiations are to take place before you receive the written purchase offer and summary statement.

### **What Is In The Summary Statement Of The Basis For The Offer Of Just Compensation?**

The summary statement of the basis for the offer of just compensation will include:

- An accurate description of the property and the interest in the property to be acquired.
- A statement of the amount offered as just compensation. (If only part of the property is to be acquired, the compensation for the part to be acquired and the compensation for damages, if any, to the remaining part will be separately stated.)
- A list of the buildings and other improvements covered by the offer. (If there is a separately held interest in the property not owned by you and not covered by the offer (e.g., a tenant-owned improvement), it will be so identified.)

### **Must I Accept The Agency's Offer?**

No. You are entitled to present your evidence as to the amount you believe is the fair market value of your property and to make suggestions for changing the terms and conditions of the offer. The Agency will consider your evidence and suggestions. When fully justified by the available evidence of value, the offer price will be increased.

### **May Someone Represent Me During Negotiations?**

Yes. If you would like an attorney or anyone else to represent you during negotiations, please inform the Agency. However, the URA does not require the Agency to pay the costs of such representation.

### **If I Reach Agreement With The Agency, How Soon Will I Be Paid?**

If you reach a satisfactory agreement to sell your property and your ownership (title to the property) is clear, payment will be made at a mutually acceptable time. Generally,

this should be possible within 30 to 60 days after you sign a purchase contract. If the title evidence obtained by the Agency indicates that further action is necessary to show that your ownership is clear, you may be able to hasten the payment by helping the Agency obtain the necessary proof. (Title evidence is basically a legal record of the ownership of the property. It identifies the owners of record and lists the restrictive deed covenants and recorded mortgages, liens, and other instruments affecting your ownership of the property.)

### **What Happens If I Don't Agree To The Agency's Purchase Offer?**

If you are unable to reach an agreement through negotiations, the Agency may file a suit in court to acquire your property through an eminent domain proceeding. Eminent domain proceedings are often called condemnations. If your property is to be acquired by condemnation, the Agency will file the condemnation suit without unreasonable delay.

An Agency may also decide not to buy your property, if it cannot reach agreement on a price, and find another property to buy instead.

### **What Happens After The Agency Condemns My Property?**

You will be notified of the action. Condemnation procedures vary, and the Agency will explain the procedures which apply in your case.

Generally, when an Agency files a condemnation suit, it must deposit with the court (or in an escrow account) an amount not less than its appraisal of the fair market value of the property. You should be able to withdraw this amount, less any amounts necessary to pay off any mortgage or other liens on the property and to resolve any special ownership problems. Withdrawal of your share of the money will not affect your right to seek additional compensation for your property.

During the condemnation proceeding, you will be provided an opportunity to introduce your evidence as to the value of your property. Of course, the Agency will have the same right. After hearing the evidence of all parties, the court will determine the amount of just compensation. If that amount exceeds the amount deposited by the Agency, you will be paid the difference, plus any interest that may be provided by law.

To help you in presenting your case in a condemnation proceeding, you may wish to employ an attorney and an appraiser. However, in most cases the costs of these professional services and other costs which an owner incurs in presenting his or her case to the court must be paid by the owner.

### **What Can I Do If I Am Not Satisfied With The Court's Determination?**

If you are not satisfied with the court judgment, you may file an appeal with the appropriate appellate court for the area in which your property is located. If you are considering an appeal, you should check on the applicable time limit for filing the appeal and consult with your attorney on whether you have a basis for the appeal. The Agency may also file an appeal if it believes the amount of the judgment is too high.

### **Will I Have To Pay Any Closing Costs?**

You will be responsible for the payment of the balance on any mortgage and other liens on your property. Also, if your ownership is not clear, you may have to pay the cost of clearing it. But the Agency is responsible for all reasonable and necessary costs for:

- Typical legal and other services required to complete the sale, recording fees, revenue stamps, transfer taxes and any similar expenses which are incidental to transferring ownership to the Agency.
- Penalty costs and other charges related to prepayment of any recorded mortgage on the property that was entered into in good faith.
- Real property taxes covering the period beginning on the date the Agency acquires your property.

Whenever possible, the Agency will make arrangements to pay these costs directly. If you must incur any of these expenses yourself, you will be repaid--usually at the time of closing. If you later discover other costs for which you should be repaid, you should request repayment from the Agency immediately. The Agency will assist you in filing a claim. Finally, if you believe that you were not properly repaid, you may appeal the decision to the Agency.

### **May I Keep Any Of The Buildings Or Other Improvements On My Property?**

Very often, many or all of the improvements on the property are not required by the Agency. This might include such items as a fireplace mantel, your favorite shrubbery, or even an entire house. If you wish to keep any improvements, please let the Agency know as soon as possible.

If you do arrange to keep any improvement, the Agency will deduct only its salvage value from the purchase price you would otherwise receive. (The salvage value of an item is its probable selling price if offered for sale on the condition that the buyer will remove it at his or her own expense.) Of course, if you arrange to keep any real property improvement, you will not be eligible to receive a relocation payment for the cost of moving it to a new location.

### **Can The Agency Take Only A Part Of My Property?**

Yes. But if the purchase of only a part of your property reduces the value of the remaining part(s), you will be paid for the loss in value. Also, if any remaining part would have little or no utility or value to you, the Agency will offer to buy that remaining part from you.

Occasionally, a public project will increase the value of the part which is not acquired by the Agency. Under some eminent domain laws, the amount of such increase in value is deducted from the purchase payment the owner would otherwise receive.

### **Will I Have To Pay Rent To The Agency After My Property Is Acquired?**

If you remain on the property after the acquisition, you may be required to pay a fair rent to the Agency. Such rent will not exceed that charged for the use of comparable properties in the area.

### **How Soon Must I Move?**

If possible, a mutually agreeable date for the move will be worked out. Unless there is an urgent need for your property (e.g., your occupancy would present a health or safety emergency), you will not be required to move without at least 90 days advance written notice.

If you reach a voluntary agreement to sell your property, you will not be required to move before you receive the agreed purchase price. If the property is acquired by condemnation, you cannot be required to move before the estimated fair market value of the property has been deposited with the court so that you can withdraw your share.

If you are being displaced from your home, you will not be required to move before a comparable replacement home is available to you.

### **Will I Receive Relocation Assistance?**

Title II of the URA requires that certain relocation payments and other assistance must be provided to families, individuals, businesses, farms, and nonprofit organizations when they are displaced or their personal property must be moved as a result of a project that is covered by the URA.

The Agency will furnish you a full explanation of any relocation assistance to which you may be entitled. If you have any questions about such assistance, please contact the Agency. In order for the Agency to fulfill its relocation obligations to you, you must keep the Agency informed of your plans.

### **My Property Is Worth More Now. Must I Pay Capital Gains Tax On The Increase?**

Internal Revenue Service (IRS) Publication 544 explains how the Federal income tax would apply to a gain or loss resulting from the sale or condemnation of real property, or its sale under the threat of condemnation, for public purposes. If you have any questions about the IRS rules, you should discuss your particular circumstances with your personal tax advisor or your local IRS office.

### **I'm A Veteran. How About My VA Loan?**

After your VA home mortgage loan has been repaid, you will be permitted to obtain another VA loan to purchase another property. Check on such arrangements with your nearest Veterans Administration Office.

**Is It Possible To Donate Property?**

Yes. You may donate your property or sell it to the Agency for less than its fair market value. The Agency must obtain an appraisal of the property and offer just compensation for it, unless you release the Agency from these obligations.

**Additional Information**

If you have any questions after reading this booklet, contact the Agency and discuss your concerns with the Agency representative.

Agency:

Address:

Office Hours:

Telephone Number:

Person to Contact:

**Departamento de Vivienda y Desarrollo Urbano de EE.UU.**

Oficina de Planificación y Desarrollo Comunitario

[www.HUD.GOV/Relocation](http://www.HUD.GOV/Relocation)

## **CUANDO UNA AGENCIA PÚBLICA ADQUIERE SU PROPIEDAD**

### **Introducción**

Este folleto describe aspectos importantes de la Ley de Política Uniforme de Asistencia para la Reubicación y Adquisición de Propiedades Inmuebles de 1970 y sus reformas (URA, siglas en inglés) y brinda información general acerca de la adquisición pública de bienes inmuebles (bienes raíces) que debería serle útil.

La mayoría de las adquisiciones de bienes inmuebles por una agencia pública para un proyecto federal o un proyecto en el cual se utilizan fondos federales están cubiertas por la URA. Si se le notifica que su propiedad será adquirida para un proyecto como ése, es importante que conozca sus derechos según esta ley importante.

Es posible que este folleto no conteste todas las preguntas que usted pueda tener. Si tiene más preguntas acerca de la adquisición de su propiedad, póngase en contacto con la Agencia responsable del proyecto. Haga sus preguntas antes de vender su propiedad. Después de eso, podrá ser demasiado tarde.

### **Preguntas Generales**

#### **¿Qué derecho tiene cualquier agencia pública a adquirir mi propiedad?**

El Gobierno Federal y cualquier gobierno estatal tienen ciertas facultades que son necesarias para que funcionen eficazmente. Por ejemplo, tienen la facultad para establecer impuestos y la facultad para mantener el orden. Otra facultad gubernamental es la facultad para adquirir propiedad privada para fines públicos. A esto se le conoce como la facultad de dominio eminente.

Sin embargo, los derechos de cada uno de nosotros están protegidos por la Quinta y Decimocuarta Enmiendas de la Constitución de los Estados Unidos y por constituciones y leyes de dominio eminente estatales que garantizan que si una agencia pública toma propiedad privada debe pagar "indemnización justa" al propietario. La URA proporciona protecciones adicionales, según se explica en este folleto.

#### **¿Quién tomó la decisión de comprar mi propiedad?**

Normalmente, muchas personas y muchas determinaciones están envueltas en la decisión de adquirir una propiedad para un proyecto público. La determinación definitiva de seguir adelante con el proyecto se toma solamente después de un análisis exhaustivo, el cual podrá incluir audiencias públicas para obtener las opiniones de ciudadanos interesados.

Si tiene cualquier pregunta acerca del proyecto o la selección de su propiedad para la adquisición, debe preguntarle a un representante de la Agencia responsable del proyecto.

**¿Cómo determinará la Agencia cuánto ofrecerme por mi propiedad?**

Antes de hacerle una oferta, la Agencia obtendrá por lo menos un avalúo de su propiedad realizado por un tasador de bienes inmuebles competente que esté familiarizado con los valores de propiedad locales. El tasador inspeccionará su propiedad y preparará un informe que incluye su opinión profesional sobre su valor justo en el mercado actual. Despues de que el tasador haya completado su trabajo, un tasador de revisión examinará el informe sobre el avalúo para asegurar que el estimado sea justo y que el trabajo se conforme a las normas de avalúo profesional.

La Agencia debe ofrecerle "indemnización justa" por su propiedad. Esta cantidad no puede ser inferior al valor justo en el mercado avaliado de la propiedad. La "indemnización justa" para su propiedad no toma en cuenta sus necesidades de reubicación. Si usted es elegible para la asistencia para la reubicación, la misma será adicional.

**¿Qué es el valor justo en el mercado?**

El valor justo en el mercado se define a veces como aquella cantidad de dinero que, probablemente, se pagaría por una propiedad en una venta entre un vendedor dispuesto, quien no tiene que vender y un comprador dispuesto, quien no tiene que comprar. En algunas áreas, se podrá utilizar un término o definición diferente.

Por lo general, se considera que el valor justo en el mercado de una propiedad es "indemnización justa". El valor justo en el mercado no toma en cuenta elementos intangibles, tales como el valor sentimental, el crédito mercantil (good will), las ganancias de los negocios o cualquier valor especial que su propiedad pueda tener para usted o para la Agencia.

**¿Cómo determina el tasador el valor justo en el mercado de mi propiedad?**

Cada parcela de bienes inmuebles es diferente y, por lo tanto, no se puede idear una sola fórmula determinada para evaluar todas las propiedades. Los siguientes son algunos de los factores que el tasador considera típicamente al estimar el valor de bienes inmuebles:

- Cómo se compara la propiedad con propiedades similares en el área que se han vendido recientemente.
- Cuántos ingresos de alquiler podría producir.
- Cuánto costaría reproducir los edificios y otras estructuras, menos cualquier depreciación.

**¿Tendré la oportunidad de hablar con el tasador?**

Sí. A usted se le contactará y se le dará la oportunidad de acompañar al tasador cuando haga la inspección de su propiedad. En esa oportunidad, usted podrá informarle al tasador de cualquier característica especial que, a juicio suyo, podría aumentar el valor de su propiedad. Le conviene a usted suministrarle al tasador toda la información útil que pueda para asegurar que se tome en cuenta todo lo que tenga valor permisible. Si no puede reunirse con el tasador, quizás querrá que una persona que esté familiarizada con su propiedad lo represente.

**¿Cuándo recibiré una oferta de compra por escrito?**

Por lo general, esto dependerá de la cantidad de trabajo que se requiere para avaluar su propiedad. Tratándose de una casa típica para una sola familia, normalmente, es posible hacer una oferta de compra por escrito dentro de 45 a 60 días desde la fecha en la que se selecciona a un tasador para avaluar la propiedad.

Sin demora alguna después de que el avalúo haya sido revisado (y se hayan obtenido cualesquiera correcciones necesarias), la Agencia determinará la indemnización justa y le dará a usted una oferta de compra por escrito por esa cantidad, junto con una "declaración de resumen", explicando la base para la oferta. No se deberán celebrar negociaciones antes de que usted reciba la oferta de compra por escrito y la declaración de resumen.

**¿Qué es la declaración de resumen de la base para la oferta de indemnización justa?**

La declaración de resumen de la base para la oferta de indemnización justa incluirá:

- Una descripción exacta de la propiedad y el interés en la propiedad a ser adquirida.
- Una declaración de la cantidad ofrecida como indemnización justa. (Si se adquirirá sólo parte de la propiedad, se declararán por separado la indemnización para la parte que se adquirirá y la indemnización por daños, si los hubiere, a la parte restante.)
- Una lista de los edificios y otras mejoras cubiertas por la oferta. (Si hay un interés mantenido por separado en la propiedad que no le pertenece a usted y que no está cubierto por la oferta (por ej., una mejora que le pertenece a un inquilino), el mismo se identificará como tal.)

**¿Estoy obligado a aceptar la oferta de la Agencia?**

No. Usted tiene derecho a presentar sus pruebas en cuanto a la cantidad que, a su juicio, es el valor justo en el mercado de su propiedad y hacer sugerencias para cambiar los términos y condiciones de la oferta. La Agencia considerará sus pruebas y sugerencias.

Cuando se justifique plenamente con las pruebas de valor disponibles, se aumentará el precio de la oferta.

**¿Puede representarme alguien durante las negociaciones?**

Sí. Si le gustaría que un abogado u otra persona lo representara durante las negociaciones,

por favor, infórmeme a la Agencia. Sin embargo, la URA no exige que la Agencia pague los costos de tal representación.

**Si llego a un acuerdo con la Agencia, ¿en cuánto tiempo se me pagará?**

Si usted llega a un acuerdo satisfactorio para vender su propiedad y su calidad de propietario (título a la propiedad) es segura, el pago se hará en un momento aceptable mutuamente. Por lo general, esto debería ser posible dentro de 30 a 60 días después de que usted firme un contrato de compra. Si las pruebas de título obtenidas por la Agencia indican que es necesaria acción adicional para demostrar que su calidad de propietario es segura, es posible que pueda acelerar el pago ayudando a la Agencia a obtener las pruebas necesarias. (La prueba del título es básicamente un registro legal de su calidad de propietario de la propiedad. Identifica a los propietarios registrados y enumera los convenios restrictivos sobre la escritura y las hipotecas, gravámenes y otros instrumentos registrados que afectan a su calidad de propietario de la propiedad.)

**¿Qué pasa si no estoy de acuerdo con la oferta de compra de la Agencia?**

Si no puede llegar a un acuerdo a través de negociaciones, la Agencia podrá registrar una demanda en una corte para adquirir su propiedad a través de un proceso de dominio eminente. A los procesos de dominio eminente se les dicen a menudo expropiaciones forzosas (condemnations). Si su propiedad ha de ser adquirida por expropiación forzosa, la Agencia registrará la demanda de expropiación forzosa sin demora irrazonable.

La Agencia puede decidir no comprar su propiedad, si no se llega a un acuerdo en el precio, y encuentra otra propiedad para comprar.

**¿Qué pasa después de que la Agencia expropia mi propiedad?**

Se le notificará de la acción. Los procedimientos de expropiación forzosa varían y la Agencia explicará los procedimientos que se aplican en el caso suyo.

Por lo general, cuando una Agencia registra una demanda de expropiación, debe depositar con la corte (o en una cuenta de custodia) una cantidad que no sea inferior a su avalúo del valor justo en el mercado de la propiedad. Usted debe ser capaz de retirar esta cantidad, menos cualesquiera cantidades necesarias para pagar por completo cualquier hipoteca u otros gravámenes sobre la propiedad y resolver cualquier problema especial de pertenencia. El retiro de la parte del dinero que le corresponde a usted no afectará su derecho a procurar indemnización adicional por su propiedad.

Durante el proceso de expropiación forzosa, se le dará a usted una oportunidad para presentar sus pruebas en cuanto al valor de su propiedad. Por supuesto, la Agencia tendrá el mismo derecho. Después de escuchar las pruebas presentadas todas las partes, la corte determinará la cantidad de la indemnización justa.

Si esa cantidad excede la cantidad depositada por la Agencia, se le pagará la diferencia a

usted, más cualquier interés que pueda disponer la ley.

Para ayudarlo a presentar sus argumentos en un proceso de expropiación forzosa, es posible que quiera emplear a un abogado y un tasador. Sin embargo, en la mayoría de los casos, los costos de estos servicios profesionales y otros costos en que incurre un propietario al presentar sus argumentos ante la corte deben ser pagados por el propietario.

**¿Qué puedo hacer si no quedo satisfecho con la determinación de la corte?**

Si no queda satisfecho(a) con la sentencia de la corte, usted puede registrar una apelación ante la corte de apelaciones apropiada para el área en la cual está ubicada su propiedad. Si usted está considerando una apelación, se recomienda que verifique el plazo aplicable para registrar la apelación y consulte con su abogado sobre si usted tiene una base para la apelación. La Agencia podrá también registrar una apelación si cree que la cantidad de la sentencia es demasiado alta.

**¿Tendré que pagar algún costo de cierre?**

Usted será responsable del pago del saldo de cualquier hipoteca y otros gravámenes sobre su propiedad. Además, si su calidad de propietario no es segura, es posible que tenga que pagar el costo de hacerla segura. Pero la Agencia es responsable de todos los costos razonables y necesarios para:

- Servicios legales típicos y otros servicios necesarios para completar la venta, los costos de inscripción, los timbres fiscales, los impuestos de transferencia y cualesquier gastos similares que son incidentales a la transferencia a la Agencia del derecho de propiedad.
- Costos de penalidades y otros cargos relativos al prepago de cualquier hipoteca registrada sobre la propiedad que se celebró de buena fe.
- Impuestos sobre bienes inmuebles que cubran el período a partir de la fecha en la que la Agencia adquiere su propiedad.

Cuando sea posible, la Agencia hará las gestiones para pagar estos costos directamente. Si usted mismo debe incurrir en cualquiera de estos gastos, se le reembolsarán a usted – normalmente al momento del cierre. Si usted descubre posteriormente otros costos que se deberían reembolsar, debe solicitar de inmediato el reembolso de la Agencia. La Agencia le ayudará a registrar una reclamación. Por último, si usted cree que no se le reembolsó debidamente, puede apelar la decisión a la Agencia.

**¿Puedo quedarme con algunos de los edificios o mejoras en mi propiedad?**

Muy a menudo, la Agencia no requiere muchas o ninguna de las mejoras en la propiedad. Esto podría incluir tales artículos como una repisa de chimenea, sus arbustos favoritos o incluso una casa entera. Si desea quedarse con cualquier mejora, por favor, infórmeme a la

Agencia tan pronto como sea posible.

Si hace las gestiones para quedarse con cualquier mejora, la Agencia deducirá sólo su valor de recuperación al precio de compra que usted recibiría de no ser por la mejora. (El valor de recuperación de un artículo es su precio de venta probable si se ofrece para la venta, a condición de que el comprador lo retire a sus propias expensas). Por supuesto, si usted hace las gestiones para quedarse con cualquier mejora de bienes inmuebles, usted no será elegible para recibir un pago por reubicación por el costo de mudarlo a una ubicación nueva.

**¿Puede la Agencia tomar sólo parte de mi propiedad?**

Sí. Sin embargo, si la compra de sólo parte de su propiedad reduce el valor de la(s) parte(s) que queda(n), a usted se le pagará por la pérdida en valor. Además, si cualquier parte que queda tendría poca o ninguna utilidad o valor para usted, la Agencia ofrecerá comprarle a usted esa parte que queda.

En ocasiones, un proyecto público aumentará el valor de la parte que no es adquirida por la Agencia. Según algunas leyes de dominio eminente, la cantidad de tal aumento en valor se deduce del pago de compra que el propietario recibiría de no ser por tal aumento en el valor.

**¿Tendré que pagarle renta a la Agencia después de que se adquiera mi propiedad?**

Si usted se queda en la propiedad después de la adquisición, es posible que se le exija que pague una renta justa a la Agencia. Tal renta no excederá la renta en el mercado que se cobra para el uso de propiedades comparables en el área.

**¿Cuándo debo mudarme?**

De ser posible, se acordará una fecha mutuamente satisfactoria para la mudanza. A menos que haya una necesidad urgente para su propiedad (por ej., su ocupación presentaría una emergencia de salud o seguridad), no se le exigirá que se mude sin un aviso con por lo menos 90 días de anticipación.

Si usted llega a un acuerdo voluntario para vender su propiedad, no tendrá que mudarse antes de que reciba el precio de compra convenido.

Si la propiedad es adquirida por expropiación forzosa, no se le puede exigir que se mude antes de que el valor justo en el mercado estimado de la propiedad haya sido depositado con la corte para que usted pueda retirar la parte que le corresponde.

Si se le está desplazando de su hogar, no se le exigirá que se mude antes de que una vivienda comparable de reemplazo se encuentre disponible para usted.

**¿Recibiré asistencia para la reubicación?**

El Título II de la URA exige que ciertos pagos y otra asistencia para la reubicación deben ser proporcionados a familias, individuos, negocios, granjas y organizaciones no lucrativas cuando se les desplaza o sus bienes personales deben mudarse como resultado de un proyecto que está cubierto por la URA.

La Agencia le suministrará una explicación completa de cualquier asistencia para la reubicación a la que usted pueda tener derecho. Si tiene cualquier pregunta acerca de tal asistencia, por favor, póngase en contacto con la Agencia. A fin de que la Agencia cumpla con sus obligaciones de reubicación con usted, usted debe mantener a la Agencia informada de sus planes.

**Mi propiedad vale más ahora. ¿Debo pagar impuestos sobre las ganancias de capital con respecto al aumento?**

La Publicación 544 del Internal Revenue Service (IRS) explica cómo se aplicaría el impuesto federal sobre los ingresos a una ganancia o pérdida que resulte de la venta o expropiación forzosa de bienes inmuebles o su venta bajo la amenaza de expropiación forzosa, para fines públicos. Si tiene cualquier pregunta acerca de las reglas del IRS, se recomienda que consulte sus circunstancias específicas con su asesor personal de impuestos o con la oficina local del IRS.

**Soy veterano. ¿Qué pasa con mi préstamo de la Administración de Beneficios para Veteranos (VA)?**

Después de que se haya pagado su préstamo hipotecario para la vivienda otorgado por la VA, a usted se le permitirá obtener otro préstamo de la VA para comprar otra propiedad. Consulte tales procedimientos con su Oficina de la Administración de Beneficios para Veteranos más cercana.

**¿Es posible donar propiedad?**

Sí. Usted puede donar su propiedad o vendérsela a la Agencia por menos de su valor justo en el mercado. La Agencia debe obtener un avalúo de la propiedad y ofrecer indemnización justa por la misma, a menos que usted exima a la Agencia de estas obligaciones.

**Información adicional**

Si tiene más preguntas después de haber leído este folleto, póngase en contacto con la Agencia discuta sus preocupaciones con un representante de la Agencia.

Agencia:

Dirección:

Horario de oficina:

Número de teléfono:

Persona con quien se debe poner en contacto:

HUD-1041-CPD-1  
Marzo 2005

(La edición previa está obsoleta)

## PRELIMINARY ACQUISITION NOTICE

May 19, 2013

Friendly Farmer Property Owner  
700 Famer's Row  
Sunny Day Village, MO 64444

RE: 2010-PF-50 (Sunny Day Village)

Dear Friendly Farmer Owner:

We write to inform you that the City of Sunny Day Village has determined to acquire 3.5 acres of your farm land to be used to develop a land application treatment system for the city's sewer system. The city will be using Community Development Block Grant funds to upgrade its sewer system. The acquisition of easements for the sewer line part of this project will also be requested.

A HUD brochure is enclosed that describes your rights and the procedures the city will follow to acquire your property, under the Uniform Act. Please be advised that you have the following rights:

- A right to "just compensation" based on an appraisal and review appraisal if your property's fair market value is more than \$25,000
- The procedures require that the city hire an independent appraiser to appraise the value of the property it seeks to acquire
- You have the right to accompany the appraiser during the appraisal inspection of your property. A letter inviting you to accompany the appraiser will be sent by that appraiser at least five days prior to the inspection.
- However, where the value of the easement is estimated to be \$25,000 or less, the determination of value may be based on a review of available data, rather than by an appraisal.

If you have any questions regarding this acquisition, please call the city's grant administrator, Grants R Us, at 444-444-4444.

Very truly yours,

Malcolm Mayor

cc Grants R Us

Enclosures: When a Public Agency Acquires Your Property  
Donation of Easement/Waiver form

## WAIVER OF JUST COMPENSATION AND APPRAISAL RIGHTS

WAIVER OF RIGHTS AND BENEFITS OF THE UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970, as amended, (42 U.S.C. 4601)(49 CFR PART 24)

I, \_\_\_\_\_, as owner(s) of title, understand that I am entitled to Just Compensation for my property based on an independent qualified appraisal or a written determination of market value under the Uniform Act provided by the City/County/Village of \_\_\_\_\_ for the following property:

(Attach or insert Property or Easement Description)

I hereby waive my right to Just Compensation, an appraisal, and right to accompany the appraiser, under the Uniform Act and donate the property described above.

- For my parcel donation, I hereby acknowledge receipt of the HUD brochure "When a Public Agency Acquires Your Property."
- For my easement donation, I acknowledge receipt of the CDBG Easement brochure.

---

Date

(Signature of Property Owner(s))

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_.  

---

(Seal)

(Notary)

**WAIVER OF ONLY RIGHT OF JUST COMPENSATION  
RETENTION OF APPRAISAL RIGHTS  
UNDER THE UNIFORM RELOCATION ASSISTANCE AND REAL  
PROPERTY ACQUISITION POLICIES ACT OF 1970, AS AMENDED,  
(42 U.S.C. 4601) (49 CFR PART 24)**

I, \_\_\_\_\_, as owner(s) of title, understand that I am entitled to Just Compensation for my property. The \_\_\_\_\_ (*city/county/village*) \_\_\_\_\_ has determined that the described property is considered to have a fair market value of \$ \_\_\_\_\_ based on an appraisal. (or) I agree with this determination and acknowledge that the \_\_\_\_\_ (*city/county/village*) \_\_\_\_\_ has provided a written determination of value of the following property described below:

(attach or insert legal description of easement or parcel)

- I acknowledge receipt of the HUD brochure, "When A Public Agency Acquires Your Property."
- For my easement donation, I acknowledge receipt of the CDBG Easement brochure.

Based my understanding of the rights and benefits provided to me/us under the Uniform Act, I/We hereby choose to waive all rights to Just Compensation under the Uniform Act and to donate the property described above.

---

Date)

Signature of Property Owner(s)

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.  
  
(Seal)

---

Notary

## **STATEMENT OF THE BASIS FOR THE OFFER OF JUST COMPENSATION**

### **Description and Location of Property**

The Village of Sunny Day proposes to purchase 5 acres of land (Lots 8, Square 6, Palmer Extension) from the owner, Mr. Friendly Farmer at 700 Farmers Row, Sunny Day, Missouri.

### **Purpose of Purchase**

The Village of Sunny Day intends to use the 5-acre parcel for the construction of a land application sewer treatment system and to purchase easements for the sewer lines as part of the city's Community Development Block Grant sewer system project.

### **Inventory**

The land contains a one-story single-family, 800 square foot, residence of wood frame construction on a block foundation with a crawl space, hard board siding, and a shingled roof.

It contains a living room, kitchen, 2-bedrooms, and one bath.

Interior finish is carpet over plywood, except linoleum in kitchen and bathroom; paneled walls.

The kitchen has counters and painted wood cabinets. There are no built-in appliances.

Heat is gas-fired, 40,000 BTU floor furnace.

The house is 55 years old. Design is basic. Maintenance is fair.

The parcel is 5-acres.

### **Declaration of Offer**

Based on the appraisal and review appraisal, the Village of Sunny Day hereby makes you an offer in the amount of \$47,500 for the purchase of your property. This offer is for the fair market value of your property and does not include any consideration of decrease or increase in value attributable to the project for which it is being acquired.

## **OFFER TO PURCHASE PARCEL/LAND**

September 1, 2013

Mr. & Mrs. Friendly Farmer  
700 Farmers Row  
Sunny Day, Missouri 64444

RE: 2010-PF-52 (Sunny Day)

Dear Mr. and Mrs. Farmer:

We have previously informed you of the Village's interest in acquiring your property for our sewer treatment project. Based on our appraisal and review appraisal of your property, we have determined the value to be \$47,500. The city hereby makes you a firm offer in the amount of \$47,500 for the purchase of your property.

We believe that the above offer accurately represents the fair market value of your property based on the appraisal. We urge your favorable consideration and acceptance.

If this offer meets with your approval, the city's grant representative, Grants R Us, is prepared to purchase and record the property in the city's name. The city would like to start construction of this project within the next few months; therefore, we ask that you contact Grants R Us no later than September 21, 2012, to arrange the final purchase.

You may call Grants R Us at 444-444-4444 or stop by and make an appointment at city hall.

If you have any questions, please do not hesitate to contact us at the above phone number.

Very truly yours,

Angela Pearl Mayor

cc Grants R Us

## OFFER TO PURCHASE/EASEMENT

September 21, 2013

U. A. Property Owner  
25 North Easement Row  
Anytown, Missouri 64444

RE: 2010-PF-53 (Anytown)/Sewer line Extension

Dear U.A. Owner:

We have previously informed you of the Village's interest in acquiring an easement on your property for our sewer line extension project. Based on our review of recent property sales in your area, we have determined the value of the easement to be \$150. The Village hereby makes you a firm offer in the amount of \$150 for the purchase of the easement on your property.

We believe that the above offer accurately represents the fair market value of your property based on a review of available data (i.e., recent property sales in your area). We urge your favorable consideration and acceptance.

If this offer meets with your approval, the city's grant administrator, Grants R Us, is prepared to purchase and record the easement in the city's name. The city would like to start construction of this project within the next few months; therefore, we ask that you contact Grants R Us no later than October 12, 2012, to arrange the final purchase.

You may call Grants R Us at 444-444-4444 or stop by and make an appointment at city hall.

If you have any questions, please do not hesitate to contact us at the above phone number.

Very truly yours,

Angela Pearl Mayor  
cc Grants R Us

## **FINAL OFFER TO ACQUIRE PROPERTY**

October 25, 2013

U. A. Property Owner  
25 North Easement Row  
Anytown, Missouri 64444

RE: 2006-PF-53 (Anytown)

Dear U.A. Owner:

I write to follow up on our original offer to acquire an easement on your property. In our September 21, 2012, offer letter, we respectfully asked that you respond by October 12, 2012, regarding your acceptance of the city's offer of \$150 to purchase the easement on your property. We have not heard from you regarding our offer to purchase the easement.

The city hereby offers \$150 for the purchase of the easement on your property for our sewer line project based on an appraisal and review appraisal of your property. The city's offer is based on that recent appraisal. Please consider this letter the city's final offer. Do not hesitate to contact us regarding any counter offer that you want to propose.

Again, we inform you that the city must complete this project in a timely manner. Therefore, we are asking you to respond to our final offer no later than November 5, 2012, so that we can proceed with this project.

If we are unable to negotiate the acquisition of the easement from you by that deadline, the city will find it necessary to exercise its statutory right of condemnation. It is our hope that we can amicably and successfully negotiate the acquisition of the easement.

If you have any question regarding the city's offer, please do not hesitate to contact the city's grant administrator, Grants R Us at 444-444-4444.

Very truly yours,

Margarita Figueroa Mayor

cc Grants R Us

## **APPRAISAL AND REVIEW APPRAISAL POLICY FOR JOINTLY FUNDED MISSOURI SEMA/CDBG BUYOUT PROJECTS & FOR SOLELY FUNDED CDBG BUYOUT PROJECTS**

- The Missouri Department of Economic Development will follow SEMA's appraisal and review appraisal requirements for both jointly funded CDBG/SEMA projects, where CDBG funds are used as the 25% local match, and for buyout projects funded solely with CDBG funds, where no SEMA funds are involved.
- Here, SEMA only requires a single appraisal to determine the market value of the home for the purpose of making an offer to purchase the dwelling from the property owner. Since buyout programs are voluntary programs, the grantee never uses their statutory authority to purchase the dwelling. The property owner has the choice to accept the grantee's offer or to appeal the amount of the offer.
- If the property owner chooses to appeal the grantee's offer, they must provide their own appraisal with their formal appeal to the grantee's review appraiser. Both the grantee's and the property owner's appraisal must be completed by a state licensed or state certified appraiser. Both appraisals must meet state appraisal standards.
- The "review appraiser" will conduct a desktop review of both the grantee's original appraisal and the property's owner appraisal to determine market value for purposes of the appeal. The review appraiser's determination of market value will become the final offer amount made to the property owner for the buyout of their property. Since the buyout is a strictly a voluntary program to help assist families or individuals to move from a flood plain, the review appraiser's determination of market value is the grantee's final offer.

- If the property owner refuses to accept the review appraiser's determination of value, the grantee and/or the property owner may withdraw from the review appraisal process and the voluntary buyout program.
- Please Note: The above policy applies both to projects that are funded solely with CDBG and local matching funds; and, to jointly funded CDBG/SEMA buyout project, where CDBG funds are used to provide the 25% local match.
  - With jointly funded CDBG/SEMA buyout projects, SEMA already has a review appraiser under contract who will conduct the desktop review appraisal should any property owner elects to file an appeal of the grantee's determination of value during the project.
  - With buyout projects that are solely funded with CDBG funds, the grantee will have to procure a review appraiser for purpose of conducting a desktop review of any property owner appeals of the grantee's buyout offer. Here, a grantee should not procure a review appraiser unless a property owner formally files an appeal of the original market value buyout offer made by the grantee and agrees to accept the review appraiser's determination of value as final.

## SUGGESTED ACQUISITION RECORDS

### Suggested Acquisition Recordkeeping System:

1. A separate acquisition case file should be established for each property owner who is covered by the requirements of the Uniform Act and/or Section 104 (d) Anti-Displacement Requirements.
2. Files should be maintained for five years after completion of the project.
3. Recommended contents of each property owner's file are as follows:
  - a. A copy of the preliminary acquisition notice, documentation that the owner received the notice, and the HUD brochure, When a Public Agency Acquires Your Property; or, the DED Easement Brochure, when applicable to a DED project.
  - b. Documentation that the owner was invited to accompany the appraiser.
  - c. A copy of the appraisal(s) on which determinations of fair market value was based; or a signed, written determination of value if used for a property valued at \$25,000 or less;
  - d) A copy of the written purchase offer including the Statement of the Basis for the Determination of Just Compensation, and the date of delivery to owner.
  - e) A copy of the recorded deed, recorded easement, real estate contract, HUD-1 Settlement Statement, and any donation/waiver forms.
  - f) A copy of the closing statements identifying incidental expenses.
  - g) Evidence that the owner actually was paid (i.e., copies of canceled check(s)).
  - h) A copy of any grievance appeal concerning the amount of payment or eligibility together with a copy of all pertinent determinations and other relevant documentation.
  - i) If relocation activities occur, have a copy of: the relocation notice; documentation of receipt of applicable HUD relocation notice; signed relocation and moving expense claim forms; and, documentation of relocation and moving assistance payments.

### **\*\*ACQUISITION AND RELOCATION HELPFUL HINTS\*\***

- ❖ URA applies from the date of your CDBG pre-application public hearing forward.
- ❖ Acquisition requires the completion of the CDBG Environmental Review Process prior to acquiring an easement or land with private funds, local match, or with CDBG funds.
- ❖ URA regulations apply regardless of who pays the acquisition costs when CDBG funds are used in your project.
- ❖ Remember to provide the HUD acquisition brochure, When a Public Agency Acquires Your Property, to property owner in all instances to inform them of their URA rights.
- ❖ For acquisitions valued at \$25,000 or less, appraisals are not required; however, the grantee is still required to document in writing, with supporting documentation, how the amount of the offer (market value) was determined (recent sales, assessor's appraisal, etc.). Have a written opinion of the property's value from a licensed realtor or appraiser in project file.
- ❖ Always **promptly record** the deed or easement immediately after the acquisition.

## **CHAPTER X**

### **DEMOLITION ACTIVITY COMPLIANCE REQUIREMENTS**

This chapter covers the compliance requirements for a CDBG demolition-only project and demolition activity in other project categories. In a demolition project, all compliance areas apply: environmental review, documenting a slum and blight national objective, citizen participation, procurement, contract management, equal opportunity, fair housing, acquisition, and sometimes labor standards. Labor standards apply when there will be an immediate, subsequent redevelopment project on the site of the cleared property.

In addition, this chapter will cover those regulations and requirements that are unique to demolition activities such as DNR asbestos compliance, DNR proper waste disposal, and HUD/CDBG land reuse compliance. Follow the specific compliance rules in this chapter that are applicable to your project. These rules apply to your project whether it is a CDBG funded demolition-only, community facility, or public facility.

#### **Essentially, There Are Two Types of Demolition Projects:**

- 1) Residential-Only: Here, the primary objective is to assist a grantee with the demolition of its dilapidated, abandoned residential housing stock. This type of project may also include up to 5 commercial structures.

Basic Project Requirements are:

- a. Every structure must have a DED Environmental Clearance prior to the demolition of the structure. If structures are added to a project after the initial demolitions are cleared, those added structures are subject to DED's amended Environmental Review process.
- b. All residential structures must be vacant for a minimum of one-year and must have a clear title (no liens).
- c. The structures must meet the grantee's unsafe building ordinance or nuisance ordinance "criteria." (see sample ordinance)
- d. All demolitions must have the owner's written consent. CDBG funds may not be used for involuntary demolitions/condemnations. (see sample consent form)
- e. The owner retains possession of their cleared lot.
- f. All demolitions must be done in compliance with DNR asbestos and demolition waste disposal landfill requirements.

- 2) Commercial Demolitions: These projects may consist of demolishing one or more commercial structures, such as a downtown building or store front, or some other type of dilapidated commercial structure. These demolition activities must also meet the above requirements.

## NATIONAL OBJECTIVE: SLUM & BLIGHT CRITERIA

Slum & Blight: A grantee must document that each structure meets one of the below slum and blight criteria's or the local adopted definition of slum and blight, i.e., adopted dangerous building code criteria.

**Eliminating a specific instance of slum and blight on a spot basis: {24 CFR 570.208(b)(2)}:**

### 1. Local Unsafe Building or Nuisance Ordinance:

A grantee may demolish any building that meets their local dangerous building code or nuisance ordinance criteria. Our program considers a structure that has been determined to meet the criteria of a local ordinance as substandard for meeting the HUD/CDBG spot slum and blight criteria. A grantee should use that criteria to document any residential or commercial structure proposed for demolition meets the HUD slum and blight national objective. Prior to the initiation of the demolition of any structure with the use of CDBG funds, a grantee must have documentation in their project files for each structure to show that an official determination has been made that shows that the condition of the structure violates their local ordinance. The grantee must have a copy of that official determination (citation checklist) in each property owner's project file. That official determination will suffice to document that the structure should be demolished, and therefore, meets the HUD slum and blight national objective requirement.

Infeasible to Rehabilitate. A house or structure that is officially determined not feasible to rehabilitate to a HQS code or standard will meet the HUD spot slum and blight national objective. To meet this criterion, the costs to rehabilitate the house or structure to DED's health and safety rehabilitation standards must exceed \$15,000, or \$15 per square foot. Generally, grantees will have identified these houses at the time of application submission, for each house in a demolition-only project. A work specification write-up inclusive of a cost estimate must be used to document the infeasibility to rehabilitate the structure. It must show the costs to rehabilitate the house to DED HQS health and safety standards. Include the number of square feet in the house. This information plus the estimate will be reviewed to determine whether the house is infeasible to rehabilitate.

### Eliminating Slum & Blight on an Area Basis:

#### 2. HUD Area Slum & Blight Definition: At least 25% of the properties throughout the area has one or more of the following conditions (570.208(b)(1)):

- i. physical deterioration of buildings or improvements
- ii. abandonment of properties
- iii. chronic high occupancy turnover rates or chronic high vacancy rates in commercial or industrial buildings
- iv. significant declines in property values or abnormally low property value relative to other areas in the community
- v. known or suspected environmental contamination
- vi. public improvements throughout the area are in a general state of deterioration

**Under Missouri Statute Chapter 353(2):** Blighted Area means that portion of the city within which the legislative authority of such city determines that by reason of age, obsolescence, inadequate or outmoded design or physical deterioration, has become an economic and social liability, and that such conditions are conducive to ill health, transmission of disease, crime, or inability to pay reasonable taxes. Documentation of a council's or commission's formal ordinance that declares the area blighted must be maintained in the grantee's project file.

**Re-use:** When a grantee acquires ownership of a cleared lot using CDBG funds, the subsequent use of the cleared lot may require the grantee to also document the national objective as LMI benefit for the grantee's planned redevelopment (re-use) of the cleared lot.

## PROCUREMENT AND EQUAL OPPORTUNITY

Grantees must follow the procurement requirements in Procurement Chapter of the Administrative manual to procure a demolition contractor and professional service providers, such as a demolition inspector, asbestos inspector, and asbestos contractor. Always thoroughly check references. Should in-kind labor and equipment be used to conduct the demolition activities, the grantee must still comply with State and Federal waste disposal requirements, including OSHA worker protection requirements, and EPA/DNR asbestos inspection and disposal requirements. MBE, WBE, and Section 3 firms must be directly solicited for all project activities.

**Demolition and Asbestos Inspector Procurement:** A grantee must follow the competitive proposal procurement method to procure for these professional services. For the procurement of demolition inspectors and a licensed asbestos inspector, a grantee must develop a list of at least 7-10 qualified inspectors in your geographic area, and directly solicit them with a RFP. For asbestos inspectors, a grantee must first make sure that they are licensed by the Missouri Department of Natural Resources. A list of licensed asbestos inspectors may be found under the title "building inspectors" at: [www.dnr.mo.gov/env/apcp/asbestos.htm](http://www.dnr.mo.gov/env/apcp/asbestos.htm)

**Asbestos Contractor Procurement:** A grantee has two options to procure an asbestos contractor.

- 1) The first option is that a grantee may bid two separate contracts: one for asbestos removal by a licensed asbestos contractor of all of the structures where asbestos must be removed, and a separate bid for the demolition of all of the structures after the asbestos has been removed. The grantee's demolition inspector and asbestos inspector must collaborate to develop the work specification for both contracts.
- 2) The second option is for a grantee to bid single demolition contract, inclusive of the asbestos inspector's recommendations in the demolition specifications. The general demolition contractor would be required to subcontract the asbestos removal work to a licensed asbestos contractor based on the demolition and asbestos inspector's work specifications. After the removal of the asbestos by the licensed asbestos contractor, the demolition contractor would complete the demolition of the structure(s).

A list of licensed asbestos contractors may be found under the classification of "contractor" at [www.dnr.mo.gov/env/apcp/asbestos.htm](http://www.dnr.mo.gov/env/apcp/asbestos.htm)

**Demolition-Only Project Contractor Procurement:** We require a grantee to bid all or a substantial number of the demolitions at one time. This requirement exists to promote the cost effective expenditure of CDBG funds. For example, if a grantee was funded to demolish 15 structures, all 15 should be bid to result in one contract with one contractor. If a grantee was funded to demolish 35 structures, the grantee might bid 20 structures in the first round and 15 in the second. This could result

in the grantee having two contractors; one for each of the two rounds or the same contractor for both rounds. This procurement method has resulted in substantially lowering the average demolition cost per structure. Do not bid each house separately to individual contractors because this results in higher project cost. Follow our procurement requirements in the Procurement Chapter. Contractors must provide documentation of the successful completion of the ten (10) hour Occupational Safety and Health Administration (OSHA) course.

## LABOR REQUIREMENTS

1. Davis-Bacon and the State's prevailing wage laws are not applicable to a project's CDBG funded demolition activities if:
  - The demolition work, is not directly related to a subsequent construction project, see 7-5 below.
  - Less than eight units will subsequently be constructed on the cleared site(s)/lot(s)
  - The grantee pays for materials and land, but the subsequent construction is solely private, i.e., no federal funds are used to pay for either the construction work or the land. Also, the mere payment for land with CDBG funds would not trigger Davis Bacon and Related Acts (DBRA) where federal funds are not used in the project to also pay for construction work.
  - Please Note: Subsequent construction or subsequent redevelopment of lots cleared with CDBG funded "demolition-only" projects is not allowed under that program application.

### HUD Handbook 1344.1, Rev.1, Appendix #3:

"7-5: DEMOLITION. Demolition work, which is not related to construction, is not subject to the prevailing wage requirements of DBRA. For example, the demolition of a building because such structure is no longer needed would not in itself be a covered construction activity. However, where an existing building is being demolished as a phase of a construction project subject to DBRA, the demolition would also be covered, as in the case of demolition performed to permit construction of a new building."

2. When the Davis-Bacon/prevailing wage rate is Applicable to a Demolition Project:
  - Rule 1: The Davis-Bacon Act requires the payment of prevailing wages only when federal funds are used to pay for construction work for more than \$2,000. The state's prevailing wage law applies to any construction work for public use or benefit that involves any public funds. The State law does not have a dollar threshold amount.
    - For example, if future construction is on the lot acquired by the grantee with CDBG funds and more than eight residential units will be constructed, the state prevailing wage requirements apply.
    - If the demolition is part of a privately funded construction project that is completed under one contract, and the construction will result in the construction of 8 or more residential units or the rehabilitation of 12 or more units under one-contract, then Davis-Bacon requirements will also apply to the related demolition contract.
  - Rule 2: Existing Community Plan: Davis-Bacon may apply where a grantee has an existing community plan that addresses the use of property acquired with CDBG funds. The grantee must sign a re-use agreement with the State to ensure compliance with Davis-Bacon and with the HUD national objective requirements based on the plan's specific stated re-use of the cleared site.

- Rule 3: In a CDBG project, Davis-Bacon and/or the state's prevailing wage law applies to demolition work if the grantee plans to use government funds for construction work on the acquired lot. For example, if the grantee uses CDBG funds to build a restroom for a city park on the lot that was acquired and cleared with CDBG funds, then the restroom construction will trigger the use of the Federal and State's prevailing wage building rates.
- Rule 4: Davis-Bacon wage rates are applicable to a demolition project that is part of a "Turnkey" project. Here, the grantee would have a developer pay for the entire construction of a single-family or multi-family project and the supporting public facilities on the land acquired with CDBG funds. Once the grantee determines that the completed construction work is acceptable, then the grantee would reimburse the developer and pay the contractor at the prevailing wage rates. A re-use agreement would also be required prior to the project to ensure either 51% LMI benefit for public facility work or for housing construction to ensure 100% LMI benefit.

## **DEMOLITION WASTE DISPOSAL REQUIREMENTS AND ASBESTOS COMPLIANCE**

1. Waste Disposal Requirements: CDBG grantees must comply with all state and Federal waste disposal laws, when conducting demolition activities with grant funds. When residential or commercial structures are approved for demolition, grantees must ensure that the demolition wastes are properly disposed of at a permitted/licensed sanitary or demolition landfill. Specify the applicable DNR disposal requirements in the demolition bid and contract.

See the DNR technical assistance bulletins in this chapter. Asbestos waste materials must be disposed of in accordance with state regulations at 10 CSR 10-6.240. Those regulations require the name of the landfill and that the waste disposal records are maintained for inspection. Hazardous waste must be disposed of in an authorized facility that specializes in hazardous waste, e.g., paint residue that fails the TCLP test. The failure to ensure compliance could result in the contractor and/or the grantee incurring fines and penalties, so have your grant administrator and demolition inspector include disposal specifications in both the demolition bid and contract documents. Obtain and maintain copies of all landfill receipts from your asbestos and demolition contractors.

**DISPOSAL OPTIONS FOR DEMOLITION WASTES  
FROM RESIDENTIAL PROPERTIES**  
**Single Family Residences, Including Rental Properties**

Type of Waste	Type of Landfill
Paint Residue (if passes TCLP)	Sanitary landfill or special waste
Paint residue (if fails TCLP)	Hazardous Waste facility or lead smelter
Demolition debris	Sanitary or Demolition landfill
Asbestos roofing - non-friable	Sanitary landfill
Asbestos siding - non-friable	Sanitary landfill
Asbestos flooring - non-friable	Sanitary landfill
Asbestos flooring - friable	Sanitary landfill
Asbestos roofing - friable	Sanitary landfill
Asbestos siding - friable	Sanitary landfill
Scrap metal	Salvage yard for recycling, or sanitary or demolition landfill.

**For proper guidance on waste disposal compliance, contact the following agencies:**

MO DNR Main Office – 1/800/361-4827; 751-3443; [www.mo.dnr.gov](http://www.mo.dnr.gov)

MO DNR Hazardous Waste Program - 573/751-3176

Provides disposal compliance information

MO DNR Solid Waste Management Program - 573/751-5401

Provides a list of landfills in Missouri that have been issued operating permits

Provides compliance information and technical bulletins

MO DNR Air Pollution Control Program (Asbestos) – 573/751-4817

Provides Asbestos compliance and certification information

[www.dnr.mo.gov/env/apcp/Asbestos.htm](http://www.dnr.mo.gov/env/apcp/Asbestos.htm)

MO Department of Health - Lead Program 1-888/837-0927; 573/526-5873

Provides licensing and compliance information

[www.dhss.mo.gov/Lead/](http://www.dhss.mo.gov/Lead/)

U.S. Occupational Safety and Health Administration (OSHA) - 800/321-6742

OSHA Kansas City Office: 816/483-9531; OSHA St. Louis Office: 314/425-4249

KC Office Toll Free: 1-800/892-2674      St. Louis Toll Free: 1-800/392-7743

The DED Compliance Team strongly urges you to call each of the above agencies with your compliance and disposal questions. We also stress the importance of disposing project waste at a landfill that has been issued a permit by DNR to operate. Grantees will avoid fines by properly disposing of project waste in accordance with State and Federal regulations. **Landfill receipts must be in project file for monitoring review.**

2. Asbestos Removal and Disposal: Grantees must contact DNR for guidance at the phone numbers listed above. For specific requirements, please see the DNR technical assistance bulletin, Asbestos Requirements for Demolition and Renovation Projects in this chapter or at: [www.dnr.mo.gov/pubs/pub2157.pdf](http://www.dnr.mo.gov/pubs/pub2157.pdf) A licensed asbestos abatement contractor must perform any asbestos abatement work that may be necessary prior to the demolition of any structure. Grantee must ensure compliance with OSHA worker protection requirements.
3. Open Burning: The open burning of a house, that is to be demolished, is prohibited under 10 CSR 10-3. However, under that state code of regulations, a grantee may burn a house for fire training purposes. The grantee must submit a written request to the appropriate DNR regional office through the fire district that will conduct the burning. The DNR regional office will then review the request and issue an open burning permit. Asbestos containing materials must be removed prior to the fire training exercise. CDBG funds may be used for the asbestos removal activity. Please review the DNR open burning fact sheet, or at: [www.dnr.mo.gov/pubs/pub2047.pdf](http://www.dnr.mo.gov/pubs/pub2047.pdf)

## SECTION 104(D) ONE FOR ONE REPLACEMENTS

Grantees must comply with Section 104(d) anti-displacement regulations for any low to moderate income (LMI) unit that is demolished. An LMI unit is affordable to a LMI household, where the mortgage or rents meet the HUD Fair Market Rent (FMR) requirements. In addition, a Section 104(d) unit must meet one of the following occupancy requirements:

- the LMI is occupied; or,
- has been occupied any time during the 12 months prior to that demolition; or,
- vacant, but occupiable.

Compliance with Section 104(d) requires that such units be replaced on a one-for-one basis. Please refer to the Acquisition chapter of this manual for the Section 104(d) compliance requirements.

**PLEASE NOTE: CDBG “demolition-only” grantees are only allowed to demolish substandard properties that have been vacant for more than twelve months so that you do not trigger the Section 104(d) compliance requirements.** Your “demolition-only” project files must include documentation that the unit was vacant for the 12-month period prior to being bid for demolition.

## CDBG LAND RE-USE AGREEMENT REQUIREMENTS

1. Re-use Agreement Requirements: For a property where the only expenditure of CDBG funds is for the demolition/clearance activity, a re-use agreement is not required because the property owner maintains ownership of the property, not the grantee.

If a relocation activity occurs in a CDBG funded project and the displaced family donates their displaced-property to the grantee, a lot re-use agreement for the donated property will not be required if the grantee sells the cleared lot and uses the program income proceeds during their existing project.

However, if the project closes before the cleared lot is sold, then both a reuse agreement and a program income agreement are required and must be submitted and approved by the Missouri Department of Economic Development.

2. Re-use Agreement & National Objective Requirements: For a property that is cleared and acquired with CDBG funds, the national objective can be two-fold.
  - a. The property is cleared to achieve the national objective of eliminating a specific instance of slum and blight.
  - b. The re-use of that property by the grantee must achieve the national objective of at least 51% LMI benefit if it is sold and the proceeds used in their existing project. For example, the re-use of the lot to build a Habitat for Humanity house or a MHDC multi-family unit, or a Rural Development or MHDC financed single-family home will achieve a 100% LMI benefit. In this example, the grantee, as owner of the lot, will be required to sign a land re-use agreement to ensure the LMI national objective is achieved if the sale does not occur before the CDBG project is closed.
  - c. A sample re-use agreement can be found in this chapter, the sample agreement should be modified to meet the specific circumstances of your project, and it must be approved by DED.

## **DEMOLITION MONITORING FILE REQUIREMENT LIST**

1. Authority to Use Grant Funds letter from DED to complete Environment Review process, inclusive of SHPO review.
2. Lot Owner's Signed Consent form for the demolition of their structure
  - a. Lot Owner's Ownership Documentation, i.e., deed
  - b. Documentation of clear title
3. a) Spot Slum& Blight documentation/official determination:
  - i. Infeasible to rehabilitate documentation, or
  - ii. Building Inspector's write up of a violation of grantee's Dangerous Building Ordinance or Nuisance Ordinanceb) Area Slum & Blight – A State Statutory or HUD Regulatory official action by the grantee, i.e., official declaration of a blighted area based on meeting HUD or state blight requirements.
4. Demolition Bid Specifications, inclusive of asbestos removal, and procurement documentation
  - a. Licensed Asbestos Inspector Procurement documentation
  - b. Licensed Asbestos Contractor Procurement documentation
5. Grantee's Contract with Asbestos Inspector and Asbestos Contractor, or
6. Demolition Contract with Asbestos Subcontractor
7. Asbestos Inspection Report and Asbestos Removal compliance documentation
8. Demolition Contract - signed by the grantee, lot owner, and contractor if commercial or target-area demo; signed by the grantee and the contractor if "demolition-only" project. See sample demolition contract in the appendix of this chapter.
9. Landfill Receipts and Demolition Certificate of Completion for each structure
10. Map – showing the location of each demolition

11. Documentation of inspection and remediation of hazardous waste - if applicable
12. DNR Open Burning Permit - if applicable
13. Section 104(d) One-for-one replacement documentation - if applicable for rehab projects only
14. Financial Management – copies of demolition contractor’s grantee approved pay requests  
If applicable, in-kind demolition labor and equipment use time sheets.

## **DED RECOMMENDATIONS FOR IMPLEMENTING A DEMOLITION-ONLY PROJECT:**

1. Place documentation in grantee’s project files to show that each demolition met the HUD national objective of eliminating slum and blight and has a SHPO and DED-ER clearance.
2. Formally procure and contract with grant administrator, demolition inspector, and licensed asbestos inspector.
3. Demolition inspector and asbestos inspector must develop demolition work specifications for the bid documents. They must also coordinate asbestos inspection and removal activities; followed by the inspection and approval of the demolition activities and debris disposal.
  - Conduct asbestos inspections per DNR requirements.
  - If regulated asbestos found, procure a licensed asbestos removal contractor and remove asbestos from structures per the asbestos inspector’s report recommendations.
4. Demolition inspector must prepare scope of work for the bid document for the grantee’s bid of the demolition of the structures.
  - a. The scope of work must include salvage rights, compliance with Federal and State disposal requirements, and any applicable local requirement for capping or removing utility lines.
  - b. If the asbestos removal activities were not bid under a separate contract, the asbestos work specifications must be included in the demolition bid specifications.
5. Formally bid and contract with a demolition contractor. Inspect the asbestos contractor’s and the demolition contractor’s work for compliance with the work specifications. Inspect and formally approve all work prior to the payment of any contractor’s pay request, contract amount, or retainage.
6. Prior to payment of any and all contractors request of payment, also require:
  - a. Submission of all notarized lien waivers
  - b. Proof of payment to the landfill and landfill receipts to document compliance with State and Federal waste disposal laws
  - c. Signed Certificate of Completion for each structure or for all structures completed under the signed contract. The Certificate must be signed by the demolition inspector, contractor, and property owner.

We highly recommend the use of salvage rights for the contractor and/or grantee to lower landfill fees and to promote recycling. However, a grantee may require all demolition waste to be disposed of at the appropriate licensed landfill.

7. If applicable to your project, provide documentation of compliance with DNR's fire training permit requirements if any structures are demolished as part of a grantee's fire training exercise that is used as /in-kind match.

NOTE: Review the DNR Technical Assistance Bulletins in the appendix to this chapter at:

- X-35 Construction and Demolition Waste Guidance; X-38 Managing Construction and Demolition Waste; X-44 Facts on Open Burning Under Missouri Regulations; X-50 Disposal of Demolition Waste Contaminated with Lead or other Heavy Metals; and, X-53 Asbestos Requirements for Demolition and Renovation Projects

## **DEMOLITION AND RE-USE PROGRAM AGREEMENT WITH PROPERTY OWNER TO PARTICIPATE & LAND USE RESTRICTION COVENANTS**

**THIS AGREEMENT** made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between the City of \_\_\_\_\_, Missouri, a Municipal Corporation of the State of Missouri, County of \_\_\_\_\_ (hereinafter referred to as the "City"), and \_\_\_\_\_ (hereinafter referred to as "Owner").

### **WITNESSETH:**

**WHEREAS**, City has received a Community Development Block Grant which provides funds for the demolition of residential structures which have been declared blighted by action of the City Council; and

**WHEREAS**, a condition of the grant is that \_\_\_\_\_ must be built; and

**WHEREAS**, Owner is the owner of certain real estate located in the City of \_\_\_\_\_, County of \_\_\_\_\_, State of Missouri, which real estate is more particularly described in Exhibit "A," attached hereto and incorporated herein by reference, and commonly known as \_\_\_\_\_ (address), \_\_\_\_\_ (City), Missouri, \_\_\_\_\_ (zip code), (hereinafter referred to as the "Property"); and

**WHEREAS**, the City Council has declared, by Resolution dated \_\_\_\_\_, 20\_\_\_\_, one or more structures on the Property blighted; and

**WHEREAS**, Owner wishes to participate in the Demolition and Re-use Program; and

**WHEREAS**, this agreement is entered into between the parties hereto pursuant to the ordinances of the City of \_\_\_\_\_ and the laws of the State of Missouri.

**NOW, THEREFORE**, in consideration of the mutual covenants herein, the sufficiency of which is hereby acknowledged, the Owner and the City agree and covenant as follows:

### **Section 1 – Recording and Filing; Covenants to Run with the Land**

1. Promptly upon execution and delivery by the Owner, the City shall cause this Agreement, including all attachments, to be recorded in the land records of \_\_\_\_\_ County. City shall provide Owner with a copy of the recorded document.
2. Owner intends, declares and covenants, on behalf of Owner and all future owners of the Property during the term of this Agreement, that this Agreement and the covenants, restrictions, and obligations set forth herein:

shall be and are covenants running with the land and improvements, encumbering the Property for the term of this Agreement; and

shall bind the Owner (and the benefits shall inure to the City) and Owner's respective successors and assigns and all subsequent owners of the Property during the term of this Agreement.

3. For the term of this Agreement, each and every contract, deed, or other instrument hereafter executed conveying the Property shall expressly provide that such conveyance is subject to this Agreement; provided, however, the covenants, restrictions and obligations contained herein shall survive and be effective regardless of whether such contract, deed, or other instrument hereafter executed conveying the Property provides that such conveyance is subject to this Agreement.

## **Section 2 – Obligations and Covenants of City**

1. Demolition and Removal of Blighted Structure: The City agrees to demolish and remove all structures on the Property. Demolition activity will include notification of all utilities, disconnection of utilities, asbestos inspection and abatement, actual demolition, appropriate disposal of all debris, and grading to a rough finish.
2. Commencement of Work: The City shall commence work under this Agreement on or before a date to be specified in a written “Notice to Proceed,” a copy of which shall be given to Owner.
3. Completion of Work: The City shall make reasonable efforts to ensure that said work is prosecuted regularly, diligently, and uninterrupted at a reasonable rate of progress.

## **Section 3 – Representations, Covenants and Obligations of Owner**

1. Ownership of the Property: Owner represents and covenants that Owner is the owner in fee simple of the real estate described above and referred to as the Property.
2. Lien Against the Property: Owner represents and covenants that the Property is not subject to any liens or other encumbrances except as set forth in Exhibit “B” attached hereto and incorporated herein by reference.
3. Occupation of the Property: Owner represents and covenants that the Property is currently not occupied and will remain unoccupied until completion of the demolition and the filing by City of a Notice of Demolition Completed.
4. Uniform Relocation Act Waiver: Owner hereby waives any rights Owner may have under the Uniform Relocation Act and has signed a waiver at the time of signing this Agreement.
5. Access to Property: Owner hereby grants to the City, its agents and designees, including all contractors and subcontractors designated by the City, the right of complete access to the Property through the completion of the demolition and the filing by City of a Notice of Termination of Lien.
6. Removal of Personal Property From the Property: Owner shall remove all personal property from the Property as soon as possible after the signing of this Agreement and any personal property remaining on the Property ten (10) days after the date on which the City issues the “Notice to Proceed” shall be deemed to have been abandoned.
7. Salvage of Property Prior to Demolition: The Owner shall have certain “Salvage Rights.” The materials set forth in Exhibit “C” attached hereto and incorporated herein by reference may be salvaged from the structure(s) on the Property provided that the removal of said materials does not render any structure dangerous or insecure. All salvaging of materials must be completed by ten (10) days after the date on which the City issues the “Notice to Proceed.” The Owner hereby relinquishes any right to salvage after this time has expired and any materials set forth in Exhibit “C” remaining on the Property ten (10) days after the date on which the City issues the “Notice to Proceed” shall be deemed to have been abandoned.
8. Fair Housing Act: Owner shall comply fully with the requirements of the Fair Housing Act as it may from time to time be amended.
9. Notice to Transferees: If the Owner or a successor sells, transfers, exchanges, or encumbers the Property at any time during the term of this Agreement, the Owner or the successor shall notify in writing and obtain the agreement of any buyer or successor or other person acquiring the Property or any interest therein that such acquisition is subject to the requirements of this Agreement. Owner agrees that the City may void any sale, transfer, exchange, or encumbrance of the Property if the buyer or successor or other person fails to assume in writing the requirements of this Agreement.

- 10.** Notice of Transfer: The Owner and all successors shall notify the City in writing of any sale, transfer, exchange or encumbrance of the Property.
- 11.** Hold Harmless Agreement: The Owner and all of Owner's successors and assigns agree to indemnify City and save it harmless from and against any and all claims, actions, damages, liability and expense arising from the claim or demand of any person or other entity to or against City on account of or directly or indirectly as a result of the demolition or construction to be performed under this Agreement which is occasioned or caused wholly or in part by any act, or any negligent or tortious omission, of Owner, or Owner's agents, employees, servants, invitees or licensees or any of the Owner's successors or assigns or their agents, employees, servants, invitees or licensees. In case City shall be a party to any litigation on the basis as above stated, then Owner and Owner's successors and assigns shall protect and hold City harmless and shall pay all costs, expenses, and reasonable attorney's fees that may be incurred or paid by City.
- 12.** Site Re-Use: Owner agrees to ensure that
- a. 51% of the direct beneficiaries of reuse of the property will meet the low-to-moderate income limits as defined by the City;
  - b. \_\_\_\_\_

- 
- 13.** Bound By Grant: The Owner and all of the Owner's successors and assigns agree to abide by all terms, conditions, and obligations of the Community Development Block Grant through which the demolition funds are being obtained.

#### **Section 4 – Term of Agreement**

This Agreement and the covenants, restrictions and obligations shall terminate upon the filing by the City in the Land Records of \_\_\_\_\_ County, a "Notice of Termination of Lien" which shall be filed by the City within a reasonable length of time after \_\_\_\_\_ has been completed on the Property as provided for herein.

#### **Section 5 – Termination of Agreement by Owner**

This Agreement may be terminated by Owner if the City fails to begin demolition within one hundred twenty (120) days after the signing of this Agreement. Termination by Owner shall be in writing and must be received by the City prior to the commencement of work on the Property. If a written termination is received prior to the City commencing work on the Property, the City shall provide Owner with a Notice of Termination of Lien in recordable form.

#### **Section 6 – Termination of City's Obligations Under Agreement**

In the event that any of the provisions of this Agreement are violated by Owner or the Owner's successor or assign, the City may serve written notice upon the Owner of its intention to terminate its obligations under this Agreement, and unless within ten (10) days after service of such notice upon the Owner, such violation shall cease and satisfactory arrangement of correction be made, the City's obligations under this Agreement shall, upon the expiration of ten (10) days, cease and terminate and the City shall have no further obligations hereunder. The lien provisions provided for herein shall continued to be in effect until a Notice of Termination of Lien is filed by the City with the Land Records of \_\_\_\_\_ County.

## Section 7 – Enforcement

Any monies expended by the City for demolition or in preparation for demolition pursuant to this Agreement shall be a lien on the Property until either a Notice of Termination of Lien is filed by the City in the Land Records of \_\_\_\_\_ County.

If City terminates its obligations under Section 6 above or if \_\_\_\_\_ is not built on the Property as provided in Subsection 3L above, City may enforce its lien by action in the Circuit Court of \_\_\_\_\_ County, Missouri. If an attorney is retained to enforce this lien, City shall be entitled to reasonable attorney's fees and other costs of collection, including court costs and publication costs. The monies expended as set forth above, interest thereon at the rate of 9% per annum, attorney's fees and other costs of collection, shall be a lien upon the Property without the necessity of filing any additional instrument with the Land Records of \_\_\_\_\_ County and without the necessity of complying with any other condition precedent thereto and said lien shall continue in full force and effect until all amounts are fully paid.

All amounts included in the lien shall also be the personal obligation of the original Owner and each subsequent Owner of the Property.

## Section 8 – Miscellaneous

1. This contract shall be binding upon the parties, their heirs, successors, or assigns, as the case may be.
2. Breach of any term of this Agreement by the Owner shall be grounds for the denial of permits and services/taps for any structure built on the Property.
3. If any portion, section, subsection, sentence, clause, paragraph, or phrase of this Agreement is for any reason held invalid or unconstitutional by a Court of competent jurisdiction, such decision shall not affect the validity of the remaining portion of this Agreement.
4. The action or inaction of the City or the Owner shall not constitute a waiver or amendment to the provisions of this Agreement. To be binding, amendments or waivers shall be in writing signed by the parties and approved by written resolution of the City Council. The failure of either party to promptly take legal action to enforce this Agreement shall not be a waiver or release.
5. The captions and headings of this Agreement are for convenience and reference only, and shall not control or affect the meaning or construction of this Agreement. Use of the masculine gender shall also be deemed to refer to the feminine gender and neuter gender and the singular to the plural unless the context clearly requires otherwise.

## Section 9 – Notices

1. Required notices to the Owner(s) shall be in writing and shall be either hand delivered to the Owner(s), their employees or agents or mailed to the Owner(s) by certified mail at the following address: \_\_\_\_\_

Notice to Owner shall be complete upon hand delivery or upon mailing.

2. Required notices to the City shall be in writing and shall be either hand delivered to the City Administrator, or delivered by certified mail at the following address:

City of \_\_\_\_\_ (Mailing Address)  
\_\_\_\_\_(City), MO \_\_\_\_\_ (Zip Code)

ATTN: City Administrator

3. The City and Owner may, by notice given hereunder, designate any further or different addresses to which subsequent notices or certificates or other communication shall be sent.

**IN WITNESS WHEREOF**, the parties to these present have executed this Agreement in two (2) counterparts, each of which shall be deemed the original.

**CITY OF \_\_\_\_\_, MISSOURI**

Date \_\_\_\_\_ By City Administrator

**OWNER(S)**

Date \_\_\_\_\_ [signature]

[printed name]

STATE OF MISSOURI )  
                        ) SS

COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, before me personally appeared \_\_\_\_\_, to me personally known, who, being by me duly sworn, did say that he is the City Administrator of the City of \_\_\_\_\_, Missouri, and that the seal affixed to said instrument is the official seal of the City of \_\_\_\_\_, and that said instrument was signed and sealed on behalf of said City, by authority of the City Council and said \_\_\_\_\_ acknowledged said instrument to be the free act and deed of said City.

IN TESTIMONY WHEREOF, I have set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

(SEAL) \_\_\_\_\_

Notary Public, State of Missouri

My Commission Expires: \_\_\_\_\_

Commissioned in \_\_\_\_\_ County

## **Grantee's LMI Lot Re-Use Agreement with the Missouri Department of Economic Development**

**CITY/COUNTY of \_\_\_\_\_**

### **LOT Re-Use Agreement with the State of Missouri's CDBG Program - Missouri Department of Economic Development.**

The City/County of \_\_\_\_\_, being the owner of the lot located at \_\_\_\_\_ that was acquired and cleared using CDBG funds; do hereby agree to provide documentation of LMI benefit of the lot to the State of Missouri's CDBG Program-DED.

If the lot is reused to benefit the general target area, we will provide documentation of at least 51% LMI benefit. If the lot is reused for single family or multi family housing construction, we will provide documentation of 100% LMI benefit.

We, the undersigned, City/County of \_\_\_\_\_, will provide documentation of the LMI benefit and receive DED-CDBG approval of any re-use of the lot prior to the initiation of the re-use activity(ies).

Failure to document LMI benefit and to receive state approval prior to the initiation of the re-use activities will result in repayment of the CDBG funds that were used to acquire and clear the lot.

I, \_\_\_\_\_, Mayor/Commissioner of the City/County of \_\_\_\_\_, have read this agreement and fully understand it.

IN WITNESS WHEREOF, I have hereunder set my hand this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

---

\_\_\_\_\_  
Mayor/Commissioner [signature]

WITNESS:

---

\_\_\_\_\_  
City/County Clerk [signature]

## **Advertisement for Bids Demolition and Asbestos Removal**

The City of Anytown will be accepting sealed bids from qualified contractors for the demolition and asbestos removal of # of residential and # of commercial structures until time, 7 days between final advertisement & the designated bid opening at that time bids will be opened and read aloud. NO FAXED BIDS WILL BE ACCEPTED.

Asbestos inspection of this structure to be demolished has already occurred; report is available to bidders. The city is bidding demolition and asbestos removal together. The demolition contractor must be licensed for asbestos removal, or must partner with a licensed asbestos contractor. After the removal of the asbestos by the licensed asbestos contractor, the demolition contractor would complete demolition of the structure.

Specifications, Form of Contract, forms of Bid Bond, Performance and Payment Bond and other contract documents may be examined at:

City Hall  
111 First Street  
Anytown, MO 66000

The City reserves the right to waive any informality or reject any or all bids.

Any bid over \$25,000 must have a bid guarantee equivalent to 5% of the bid amount. This can be secured by a bid bond or certified check and must be included with the bid.

Attention of bidders is particularly called to the requirements as the conditions of employment to be observed and minimum wage rates to be paid under the contract, Section 3, Segregated Facility, Section 109, E.O. 11246 and compliance with the OSHA 10 hour construction safety course. Documentation of compliance with E-Verify requirements.

No bidder may withdraw their bid within 30 days after the actual date of bid opening.

The City of Anytown is an Equal Opportunity Employer and invites the submission of bids from minority and women-owned firms. For questions, please contact City Clerk, at 555/555-5555.

**COMMUNITY DEVELOPMENT BLOCK GRANT REGULATIONS**  
**BONDING AND INSURANCE REQUIREMENTS**

A state or local unit of government receiving a grant from the Federal government, which requires contracting for construction or facility improvement, shall follow its own requirements relating to bid guarantees, performance bonds, and payment bonds, except for contracts or subcontracts exceeding \$25,000. For contracts or subcontracts exceeding \$25,000, the Federal agency may accept the bonding policy and requirements of the grantee provided the Federal agency has made a determination that the Government's interest is adequately protected. If such a determination has not been made, the minimum requirements shall be as follows:

A bid guarantee from each bidder equivalent to five percent of the bid price. The bid guarantee shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.

A performance bond on the part of the contractor for 100 percent of the contract price. A performance bond is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

A payment bond on the part of the contractor for 100 percent of the contract price. A payment bond is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

## BID BOND

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned, \_\_\_\_\_  
as Principal, and \_\_\_\_\_ as Surety, are hereby held and firmly bound unto  
\_\_\_\_\_ as owner in the penal sum of \_\_\_\_\_ for  
the payment of which, well and truly to be made, we hereby jointly and severally bind ourselves, our  
heirs, executors, administrators, successors and assigns, this \_\_\_\_\_ day of \_\_\_\_\_,  
20 \_\_\_\_.

The condition of the above obligation is such that whereas the Principal has submitted to  
\_\_\_\_\_ a certain Bid, attached hereto and hereby made a part hereof to enter  
into a contract in writing, for the \_\_\_\_\_

NOW, THEREFORE,

If said Bid shall be rejected, or in the alternate,

If said Bid shall be accepted and the Principal shall execute and deliver a contract in the Form of  
Contract attached hereto (properly completed in accordance with said Bid) and shall furnish a  
bond for his faithful performance of said contract, and for the payment of all persons performing  
labor or furnishing materials in connection therewith, shall in all other respects perform the  
agreement created by the acceptance of said Bid, then this obligation shall be void, otherwise the  
same shall remain in force and effect; it being expressly understood and agreed that the liability  
of the Surety for any and all claims hereunder shall, in no event, exceed the penal amount of this  
obligation as herein stated.

The Surety, for value received, hereby stipulates and agrees that the obligations of said Surety and its  
bond shall be in no way impaired or affected by the extension of the time within which the Owner may  
accept such Bid; and said Surety does hereby waive notice of any such extension.

IN WITNESS WHEREOF, the Principal and the Surety have hereunto set their hands and seals, and  
such of them as are corporations have caused their corporate seals to be hereto affixed and these  
presents to be signed by their proper officers, the day and year first set forth above.

\_\_\_\_\_  
(L.S.)

Principal

SEAL

\_\_\_\_\_  
By: \_\_\_\_\_

## PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS: that

---

(Name of Contractor)

---

(Address of Contractor)

a \_\_\_\_\_, hereinafter called Principal, and  
(Corporation, Partnership or Individual)

---

(Name of Surety)

---

(Address of Surety)

hereinafter called Surety, are held and firmly bound unto

---

(Name of Owner)

---

(Address of Owner)

hereinafter called OWNER in the total aggregate penal sum of \_\_\_\_\_

Dollars (\$ \_\_\_\_\_ ) in lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION is such that whereas, the Principal entered into a certain CONTRACT with the OWNER, dated the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_, a copy of which is hereto attached and made a part hereof for the construction of:

NOW, THEREFORE if the Principal shall well, truly and faithfully perform its duties, all the undertakings, covenants, terms, conditions and agreements of said CONTRACT during the original term thereof, and any extensions thereof which may be granted by the OWNER with or without notice to the SURETY and during the one year guaranty period and if the PRINCIPAL shall satisfy all claims and demands incurred under such CONTRACT, and shall fully indemnify and save harmless the OWNER from all costs and damages which it may suffer by reason of failure to do so, and shall reimburse and repay the OWNER all outlay and expense which the OWNER may incur in making good any default, then this obligation shall be void, otherwise to remain in full force and effect.

PROVIDED, FURTHER, that the said SURETY, for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the CONTRACT or to WORK to be performed thereunder or the SPECIFICATIONS accompanying same shall in any way affect its obligation on this BOND, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the CONTRACT or to the WORK or to the SPECIFICATIONS.

PROVIDED, FURTHER, that it is expressly agreed that the BOND shall be deemed amended automatically and immediately, without formal and separate amendments hereto, upon amendment to the CONTRACT not increasing the CONTRACT price more than 20 percent, so as to bind the PRINCIPAL and the SURETY to the full and faithful performance of the CONTRACT as so amended. The term "Amendment", wherever used in this BOND, and whether referring to this BOND, the CONTRACT or the Loan Documents shall include any alteration, addition, extension, or modification of any character whatsoever.

PROVIDED, FURTHER that no final settlement between the OWNER and the PRINCIPAL shall abridge the right of the other beneficiary hereunder, whose claim may be unsatisfied. The OWNER are the only beneficiaries hereunder.

IN WITNESS WHEREOF, this instrument is executed in \_\_\_\_\_ counterparts, each one of which  
(Number)

shall be deemed an original, this the \_\_\_\_\_ day of \_\_\_\_\_.

ATTEST:

\_\_\_\_\_  
Principal

\_\_\_\_\_  
(Principal) Secretary

(SEAL)

By \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(Witness as to Principal)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
Surety

ATTEST:

---

Witness to Surety

BY \_\_\_\_\_

Attorney-in-Fact

---

(Address)

---

(Address)

NOTE: Date of BOND must not be prior to date of CONTRACT.

If CONTRACTOR is partnership, all partners should execute BOND.

IMPORTANT: Surety companies executing BONDS must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the state where the project is located.

## PAYMENT BOND

KNOW ALL PERSONS BY THESE PRESENTS: that

---

(Name of Contractor)

---

(Address of Contractor)

a \_\_\_\_\_, hereinafter called Principal, and  
(Corporation, Partnership or Individual)

---

(Name of Surety)

hereinafter called Surety, are held and firmly bound unto

---

(Name of Owner)

---

(Address of Owner)

hereinafter called OWNER, and unto all persons, firms and corporations who or which may furnish labor, or who furnish materials to perform as described under the CONTRACT and to their successors and assigns in the total aggregate penal sum of \_\_\_\_\_

Dollars (\$ \_\_\_\_\_ )in lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION is such that whereas, the PRINCIPAL entered into a certain CONTRACT with the OWNER, dated the \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_, a copy of which is hereto attached and made a part hereof for the construction of:

NOW, THEREFORE, if the PRINCIPAL shall promptly make payment to all persons, firms and corporations furnishing materials for or performing labor in the prosecution of the WORK provided for in such CONTRACT, and any authorized extensions or modification thereof, including all amounts due for materials, lubricants, oil, gasoline, coal, repairs on machinery, equipment and tools, consumed or used in connection with the construction of such WORK and for all labor cost incurred in such WORK including that by a SUBCONTRACTOR, and to any mechanic or materialman lienholder whether it acquires its lien by operation of State or Federal law; then this obligation shall be void, otherwise to remain in full force and effect.

PROVIDED, that beneficiaries or claimants hereunder shall be limited to the SUBCONTRACTORS, and persons, firms, and corporations having a direct contract with the PRINCIPAL or its SUBCONTRACTORS.

PROVIDED, FURTHER, that the said SURETY for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the CONTRACT or to the WORK to be performed thereunder or the SPECIFICATIONS accompanying the same shall in any way affect its obligation on this BOND, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of this CONTRACT or to the WORK or to the SPECIFICAITONS.

PROVIDE, FURTHER, that no suit or action shall be commenced hereunder by any claimant: (a) Unless claimant, other than one having a direct CONTRACT with the PRINCIPAL (or with the GOVERNMENT in the event the GOVERNMENT is performing the obligations of the OWNER), shall have given written notice to any two of the following: the PRINCIPAL, the OWNER, or the SURETY above named within ninety (90) days after such claimant did or performed the last of the WORK or labor, or furnished the last of the materials for which said claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were furnished, or for whom the WORK or labor was done or performed. Such notice shall be served by mailing the same by registered mail or certified mail, postage prepaid, in an envelope addressed to the PRINCIPAL, OWNER, or SURETY, at any place where an office is regularly maintained for the transaction of business, or served in any manner in which legal process may be served in the state in which the aforesaid project is located, save that such service need not be made by a public officer. (b) After the expiration of one (1) year following the date of which PRINCIPAL ceased WORK on said CONTRACT, is being understood, however, that if any limitation embodied in the BOND is prohibited by law controlling the construction hereof, such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

PROVIDED, FURTHER, that it is expressly agreed that this BOND shall be deemed amended automatically and immediately, without formal and separate amendments hereto, upon amendment to the CONTRACT not increasing the CONTRACT price more than 20 percent, so as to bind the PRINCIPAL and the SURETY to the full and faithful performance of the CONTRACT as so amended. The term "Amendment", wherever used in this BOND and whether referring to this BOND, the CONTRACT or the loan Documents shall include any alteration, addition, extension or modification of any character whatsoever.

PROVIDED, FURTHER, that no final settlement between the OWNER or GOVERNMENT and the CONTRACTOR shall abridge the right of any beneficiary hereunder, whose claim may be unsatisfied.

IN WITNESS WHEREOF, this instrument is executed in \_\_\_\_\_ counterparts, each one of which  
(Number)

shall be deemed an original, this the \_\_\_\_\_ day of \_\_\_\_\_.

ATTEST:

---

Principal

---

(Principal) Secretary

(SEAL)

By \_\_\_\_\_

---

---

(Witness as to Principal)

---

(Address)

---

(Address)

---

Surety

ATTEST:

---

Witness to Surety

BY \_\_\_\_\_  
Attorney-in-Fact

---

(Address)

---

---

(Address)

---

NOTE: Date of BOND must not be prior to date of CONTRACT

If CONTRACTOR is partnership, all partners should execute BOND. IMPORTANT: Surety companies executing BONDS must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the State where the Project is located.

## **DEMOLITION CONTRACT**

**THIS AGREEMENT** made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between \_\_\_\_\_, hereinafter called the "Contractor," \_\_\_\_\_, hereinafter called the "Owner." In consideration of the mutual promises and agreements contained herein, the undersigned Contractor and Owner agree as follows:

**The Contractor shall comply with the following provisions:**

1. **LABOR, MATERIALS AND WORK WRITE-UP:** Contractor will furnish all labor, materials, supervision, and services necessary to do the work specified in the "Work write-up" attached and made a part hereof for the total sum of \$ \_\_\_\_\_.
2. **NOTICE TO PROCEED:** Contractor shall not begin the work to be performed until receipt of written Notice to Proceed, after which the Contractor shall begin the work within ten calendar days of the date of said Notice, and shall complete said work within \_\_\_\_\_ calendar days thereafter.
3. **INSURANCE:** Contractor shall purchase and maintain, at their own expense insurance that will protect him from claims set forth below which may arise out of or result from the Contractor's or by an Subcontractor's work:
  - i. Claims under workers compensation, disability benefit and other similar employee benefit acts
  - ii. Claims for damages because of bodily injury, occupational sickness or diseases, or death of his employees
  - iii. Claims for damages because of bodily injury, sickness or disease, or death of any person other than his employees
  - iv. Claims for damages insured by usual personal injury liability coverage which are sustained 1) by any person as a result of an offense directly or indirectly related to the employment of such person by the Contractor, or 2) by any other person
  - v. Claims for damages because of injury to or destruction of tangible property, including loss of use resulting there from
  - vi. Bodily injury insurance shall be, at a minimum, in the amount of \$100,000
- c. The Contractor shall procure and maintain, at his own expense, during the contract time, public liability insurance as required by the Owner, at a minimum, in the amount of \$300,000
- d. Certificates of Insurance shall be filed with the Owner prior to commencement of work. Certificates shall contain a provision that coverage will not be cancelled unless at least fifteen (15) days prior written notice has been given
4. **SPECIFICATIONS, CODES AND REGULATIONS:** Contractor shall comply with all appropriate specifications and codes referred to and with all regulations, ordinances and laws of the Owner , the State of Missouri, and the Federal Government, and permit reasonable inspection of all work by authorized inspectors
5. **ASBESTOS COMPLIANCE:** Contractor shall comply with the Missouri Air Conservation law, Rs.Mo.643, Sections 225-250, Missouri regulation 10 CFR 10.6.080, 10 CFR 6.240, and 10 CFR 6.250, EPA regulations at 40 CFR Part 61 governing asbestos, and OSHA worker protection regulations

6. **PERMITS AND LICENSES:** Contractor will obtain and pay for all permits and licenses necessary for the completion and execution of the work and labor to be performed.
7. **DEBRIS AND MATERIAL REMOVAL:** Contractor shall keep the premises clean and orderly during the course of the work and remove all debris as it accumulates. Materials and equipment that have been removed and replaced as part of the work shall belong to the contractor, unless specifically spelled-out in the "Work write-up". Dispose of demolition debris in compliance with State and Federal laws.
7. **ASSIGNMENTS AND SUBCONTRACTS:** Contractor shall not assign any interest on this Contract, and shall not transfer any interest in the same (whether by assignment or invitation), without prior written consent of the Owner thereto: Provided, however, that the claims for money by Contractor from the Owner under this Contract may be assigned to a bank, trust company, or other financial institution without such approval. Written notice of any such assignment or transfer shall be furnished promptly to the Owner.
8. **TERMINATION OF CONTRACT FOR CAUSE:** If through any cause, Contractor shall fail to fulfill in a timely and proper manner their obligations under this Contract, or if Contractor shall violate any of the covenants, agreements, or stipulations of this Contract, the Owner shall thereupon have the right to terminate this Contract by giving written notice to Contractor of such termination and specifying the effective date thereof, at least five days before the effective date of such termination. In such event, all finished or unfinished documents and reports prepared by Contractor under this Contract shall, at the option of the Owner, become its property and Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed thereunder.  
  
Notwithstanding the above, Contractor shall not be relieved of liability to the Owner for damages sustained by the Owner by virtue of any breach of Contract by Contractor, and the Owner may withhold any payments to Contractor for the purpose of set-off until such time as the exact amount of damages due to the Owner from Contractor is determined.
9. **Termination for Convenience by the Owner:** The Owner may terminate this Contract at any time by giving at least ten (10) days notice in writing to Contractor. If the Contract is terminated by the Owner as provided herein. Contractor will be paid for the time provided and expenses incurred up to the termination date. If this Contract is terminated due to the fault of the Contractor, Paragraph 1 hereof to termination shall apply.
10. **PAYMENTS TO CONTRACTOR:** Owner may authorize a draw at the completion of each individual property, with 10% retainage withheld in emergency situations. However, normally the Owner will make a single payment upon completion of each property. Lien releases must be provided prior to any payment being made to the Contractor.
11. **ACCEPTANCE OF FINAL PAYMENT AS RELEASE:** Contractor's acceptance of final payment shall be a release to the Owner of all claims and all liability to the Contractor.
12. **CHANGES:** Owner may, from time to time request changes in the scope of the work without invalidating the Contract. If such changes increase or decrease the amount due under the Contract, or in the time required for performance of the work, an equitable adjustment shall be authorized by Change Order. The Owner shall review and give final approval to all Change Orders.

13. **TIME FOR COMPLETION AND LIQUIDATED DAMAGES:** If the Contractor fails to complete the work within the Contract Time or extension of time granted by the Owner, then the Contractor may be required to pay to the Owner the amount of \$\_\_\_\_/day for liquidated damages for each calendar day that the Contractor shall be in default after the time stipulated in the Contract Documents.

14. **PROTECTION OF LIVES AND HEALTH:** Contractor shall exercise proper precaution at all times for the protection of persons and property and shall be responsible for all damages to persons or property, either on or off the site, which occur as a result of his prosecution of the work. The safety provisions of applicable laws and building and construction codes, in addition to specific safety and health regulations described by Chapter XIII, Bureau of Labor Standards, Department of Labor, Part 1518, Safety and Health Regulations for Construction, as outlined in the Federal Register, Volume 36, No. 75, Saturday, April 17, 1971. Title 29 - LABOR, shall be observed and the Contractor shall take or cause to be taken, such additional safety and health measures as the Contracting Authority may determine to be reasonably necessary.

### **Safety Training**

- a. Contractor shall provide a ten (10) hour Occupational Safety and Health Administration (OSHA) construction safety program for all employees who will be on-site at the Project. The construction safety program shall include a course in construction safety and health that is approved by OSHA or a similar program approved by the Missouri Department of Labor and Industrial Relations which is at least as stringent as an approved OSHA program as required by Section 292.675, RSMo.
- b. Contractor shall require its on-site employees to complete a construction safety program within sixty (60) days after the date work on the Project commences.
- c. Contractor acknowledges and agrees that any of Contractor's employees found on the Project site without documentation of the successful completion of a construction safety program shall be required to produce such documentation within twenty (20) days, or will be subject to removal from the Project.
- d. Contractor shall require all of its Subcontractors to comply with the requirements of this Section and Section 292.675, RSMo.

### **Notice of Penalties for Failure to Provide Safety Training**

- a. Pursuant to Section 292.675, RSMo, Contractor shall forfeit to City as a penalty two thousand five hundred dollars (\$2,500), plus one hundred dollars (\$100.00) for each on-site employee employed by Contractor or its Subcontractor, for each calendar day, or portion thereof, such on-site employee is employed without the construction safety training required in above Paragraph.
- b. The penalty described in Subsection a. of this Section shall not begin to accrue until the time periods described in Paragraph b and c above have elapsed.
- c. Violations of above Paragraph and imposition of the penalty described in this Section shall be investigated and determined by the Missouri Department of Labor and Industrial Relations.

**15. REGULATIONS PURSUANT TO SO-CALLED “ANIT-KICKBACK ACT” Title 18, U.S.C.**

874 Kickbacks from public works employees: Whoever, by force, intimidation, or threat of procuring dismissal from employment, or by any other manner whatsoever induces any person employed in the construction, prosecution, completion or repair of any public building, public work, or building or work financed in whole or in part by loans or grants from the United States, to give up any part of the compensation to which he is entitled under his contract of employment, shall be fined not more than \$5,000 or imprisoned not more than five years, or both.

**16. AUTHORIZED EMPLOYEES:** Contractor acknowledges that Section 285.530, RSMo, prohibits any business entity or employer from knowingly employing, hiring for employment, or continuing to employ an unauthorized alien to perform work within the state of Missouri. Contractor therefore covenants that it is not knowingly in violation of subsection 1 of Section 285.530, RSMo, and that it will not knowingly employ, hire for employment, or continue to employ any unauthorized aliens to perform work on the Project, and that its employees are lawfully to work in the United States.

## **CERTIFICATION OF BIDDER**

### **REGARDING EQUAL EMPLOYMENT OPPORTUNITY**

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#### INSTRUCTIONS

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This certification is required pursuant to Executive Order 11246 (30 F. R. 12319-25). The implementing rules and regulations provide that any bidder or prospective contractor, or any of their proposed subcontractors, shall state as an initial part of the bid or negotiations of the contract whether it has participated in any previous contract or subcontract subject to the equal opportunity clause, and, if so, whether it has filed all compliance reports due under applicable instructions.

Where the certification indicates that the bidder has not filed a compliance report due under applicable instructions, such bidder shall be required to submit a compliance report within seven calendar days after bid opening. No contract shall be awarded unless such report is submitted.

---

#### CERTIFICATION BY BIDDER

---

NAME AND ADDRESS OF BIDDER (Include ZIP Code):

---

Bidder has participated in a previous contract or subcontract subject to the Equal Opportunity Clause.

YES       NO

4. Compliance reports were required to be filed in connection with such contract or subcontract.

YES       NO

5. Bidder has filed all compliance reports due under applicable instructions.

YES       NO

6. Have you ever been or are you being considered for sanction due to violation of Executive Order 11246, as amended?

YES       NO

---

NAME AND TITLE OF SIGNER (Please type):

---

---

SIGNATURE

DATE

## CERTIFICATION OF BIDDER REGARDING SECTION 3 AND SEGREGATED FACILITIES

---

Name of Prime Contractor

---

Project Name & Number

The undersigned hereby certifies that:

Section 3 provisions are included in the Contract.

A written Section 3 plan was prepared and submitted as part of the bid proceedings (if bid equals or exceeds \$100,000).

No segregated facilities will be maintained.

Name

---

Name & Title of Signer (Print or Type):

---

Signature

---

Date

## CERTIFICATION BY PROPOSED SUBCONTRACTOR REGARDING EQUAL EMPLOYMENT OPPORTUNITY

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NAME OF PRIME CONTRACTOR

PROJECT NUMBER

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### INSTRUCTIONS:

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The certification is required pursuant to Executive Order 11246 (30 F.R. 12319-25). The implementing rules and regulations provide that any bidder or prospective contractor, or any of their proposed subcontractors, shall state as an initial part of the bid or negotiations of the contract whether it has participated in any previous contract or subcontract subject to the equal opportunity clause; and, if so, whether it has filed all compliance reports due under applicable instructions.

Where the certification indicates that the subcontractor has not filed a compliance report due under applicable instructions, such subcontractor shall be required to submit a compliance report before the owner approves the subcontract or permits work to begin under the subcontract.

---

### SUBCONTRACTOR'S CERTIFICATION

---

NAME AND ADDRESS OF SUBCONTRACTOR (Include ZIP Code):

---

Bidder has participated in a previous contract or subcontract subject to the Equal Opportunity Clause.

YES       NO

---

7. Compliance reports were required to be filed in connection with such contract or subcontract.

YES       NO

---

8. Bidder has filed all compliance reports due under applicable instructions.

YES       NO

---

9. Have you ever been or are you being considered for sanction due to violation of Executive Order 11246, as amended?

YES       NO

---

NAME AND TITLE OF SIGNER (Please type):

---

SIGNATURE:

DATE:

---

## **CERTIFICATION OF PROPOSED SUBCONTRACTOR REGARDING SECTION 3 AND SEGREGATED FACILITIES**

---

Name of Sub Contractor

---

Project Name & Number

The undersigned hereby certifies that:

Section 3 provisions are included in the Contract.

A written Section 3 plan was prepared and submitted as part of the bid proceedings (if bid equals or exceeds \$100,000).

No segregated facilities will be maintained as required by Title VI of the Civil Rights Act of 1964.

---

Name & Title of Signer (Print or Type)

---

Signature

---

Date

## **U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

### **SUPPLEMENTAL GENERAL CONDITIONS**

#### **1. SPECIAL EQUAL OPPORTUNITY PROVISIONS**

##### **A. Activities and Contracts Not Subject to Executive Order 11246, as Amended.**

(Applicable to Federally assisted construction contracts and related subcontracts \$10,000 and under.)

During the performance of this contract, the contractor agrees as follows:

1. The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor shall take affirmative action to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
2. The Contractor shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by Contracting Officer setting forth the provisions of this non-discrimination clause. The Contractor shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
3. Contractors shall incorporate foregoing requirements in all subcontracts.

##### **B. Executive Order 11246 (Contracts/subcontracts above \$10,000)**

###### **1. Section 202 Equal Opportunity Clause**

During the performance of this contract, the contractor agrees as follows:

- a. The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, employment, upgrading, demotion, or transfer; recruitment, or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- b. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration without regard to race, color, religion, sex, or national origin.
- c. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract understanding, a notice to be provided by the Contract Compliance Officer advising the said labor union or workers' representatives of the contractor's commitment under this section, and shall

post copies of the notice in conspicuous places available to employees and applicants for employment.

- d. The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- e. The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Department and the Secretary of Labor for purposes of investigation, to ascertain compliance with such rules, regulations, and others.
- f. In the event of the contractor's non-compliance with the non-discrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 or September, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- g. The contractor will include the provisions of the sentence immediately preceding paragraph (a) and the provisions of paragraph (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the Department may direct as a means of enforcing such provisions, including sanctions for non-compliance. Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Department the contractor may request the United States to enter into such litigation to protect the interest of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in Federally assisted construction work. Provided, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government that does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965,

with a contractor debarred from, or who has not demonstrated eligibility for Government contracts and Federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee), refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurances of future compliance have been received from such applicant, and refer the case to the Department of Justice for appropriate legal proceedings.

2. Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity (Executive Order 11246). (Applicable to contracts/subcontracts exceeding \$10,000.00.)
  - a. The Offerer's or Bidder's attention is called to the "Equal Opportunity Clause" and the "Standard Federal Equal Employment Opportunity Construction Contract Specifications" set forth herein.
  - b. The goals and timetables for minority and female participation, expressed in percentage terms for the Contractor's aggregate work force in each trade on all construction work in the covered area, are as follows:

Goals for minority participation:	Goals for Female participation:
Insert Goals:  12.7	Insert goals for current year:  6.9

These goals are applicable to all the Contractor's construction work (whether or not it is Federal or Federally assisted) performed in the covered area. If the contractor performs construction work in a geographic area located outside of the covered area, it shall apply the goals established for such geographic area where the work is actually performed. With regard to this second area, the contractor also is subject to the goals for both its Federally involved and non-Federally involved construction.

The Contractor's compliance with the Executive Order and the regulation in 41 CFR Part 60-4 shall be based on its implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the specifications set forth in 41 CFR 60-4.3 (a), and its efforts to meet the goals established for the geographical area where the contract resulting from this solicitation is to be performed. The hours of minority and female employment and training must be substantially uniform throughout the length of the contract, and in each trade, and the contractor shall make a good faith effort to employ minorities and women evenly on each of its projects. The transfer of minority or female employees or trainees from Contractor to Contractor or from project to project for the sole purpose of meeting the Contractor's goals shall be a violation of the contract, the Executive Order and the regulations in 41 CFR Part 60-4. Compliance with the goals will be measured against the total work hours performed.

- c. The Contractor shall provide written notification to the Director of the Office of Federal Contract Compliance Programs within 10 working days of award of any construction subcontract in excess of \$10,000 at any tier for construction work under the contract resulting from this solicitation. The notification shall list the name, address, and telephone number of the subcontractor; employer identification number; estimated dollar amount of the subcontract; estimated starting and completion dates of the subcontract; and the geographical area in which the contract is to be performed.
  - d. As used in this Notice, and in the contract resulting from this solicitation, the "covered area" is (insert description of the geographical areas where the contract is to be performed giving the state, county, and city, if any).
3. Standard Federal Equal Employment Opportunity Construction Contract Specifications (Executive Order 11246)
    - a. As used in these specifications:
      1. "Covered area" means the geographical area described in the solicitation from which this contract resulted
      2. "Director" means Director, Office of Federal Contract Compliance Programs, United States Department of Labor, or any person to whom the Director delegates authority
      3. "Employer identification number" means the Federal Social Security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941
      4. "Minority" includes:
        - i. Black (all persons having origins in any of the Black African racial groups not of Hispanic origin)
        - ii. Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish Culture or origin, regardless of race)
        - iii. Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands)
        - iv. American Indian or Alaskan Native (all persons having origins in any of the original peoples of North American and maintaining identifiable tribal affiliations through membership and participation or community identification)
      - b. Whenever the Contractor, or any Subcontractor at any tier, subcontracts a portion of the work involving any construction trade, it shall physically include in each subcontract in excess of \$10,000 the provisions of these specifications and the Notice which contains the applicable goals for minority and female participation and which is set forth in the solicitations from which this contract resulted.
      - c. If the Contractor is participating (pursuant to 41 CFR 60-4.5) in a Hometown Plan approved by the U.S. Department of Labor in the covered area either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that Plan for those

trades which have unions participating in the Plan. Contractors must be able to demonstrate their participation in and compliance with the provisions of any such Hometown Plan. Each Contractor or Subcontractor participating in an approved Plan is individually required to comply with its obligations under the EEO clause, and to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other Contractors or Subcontractors toward a goal in an approved Plan does not excuse any covered Contractor's or Subcontractors failure to take good faith efforts to achieve the Plan goals and timetables.

- d. The Contractor shall implement the specific affirmative action standards provided in paragraphs g1 through 17 of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the Contractor should reasonably be able to achieve in each construction trade in which it has employees in the covered area. The Contractor is expected to make substantially uniform progress toward its goals in each craft during the period specified. Covered construction contractors performing contracts in geographical areas where they do not have a Federal or Federally-assisted construction contract shall apply the minority and female goals established for the geographic area where the contract is being performed. Goals are published periodically in the Federal Register in notice from and such notices may be obtained from any Office of Federal Contract Compliance Programs office or from Federal procurement contracting officers. The contractor is expected to make substantially uniform progress in meeting its goals in each craft during the period specified.
- e. Neither the provisions of any collective bargaining agreement, nor the failure by a union with whom the Contractor has a collective bargaining agreement, to refer either minorities or women shall excuse the Contractor's obligations under these specifications, Executive Order 11246, or the regulations promulgated pursuant thereto.
- f. In order for the nonworking training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees must be employed by the Contractor during the training period, and the Contractor must make a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees must be trained pursuant to training programs approved by the U.S. Department of Labor.
- g. The Contractor shall take specific affirmative action to ensure equal employment opportunity. The evaluation of the Contractor's compliance with these specifications shall be based upon its effort to achieve maximum results from its actions. The Contractor shall document these efforts fully, and shall implement affirmative action steps at least as extensive as the following.
  1. Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the Contractor's employees are assigned to work. The Contractor, where possible, will assign two or more women to each construction project. The Contractor shall specifically ensure that all foremen, superintendents, and other on-site supervisory personnel are aware of and carry out the Contractor's obligation to maintain such a working

environment, with specific attention to minority or female individuals working at such sites or in such facilities.

2. Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the Contractor or its unions have employment opportunities available, and maintain a record of the organizations' responses.
3. Maintain a current file of the names, addresses, and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source or community organization and of what action was taken with respect to each union hiring hall for referral and was not referred back to the Contractor by the union or, if referred, not employed by the Contractor, this shall be documented in the file with the reason therefore, along with whatever additional actions the Contractor may have taken.
4. Provide immediate written notification to the Director when the union or unions with which the Contractor has a collective bargaining agreement has not referred to the Contractor a minority person or woman sent by the Contractor, or when the Contractor has other information that the union referral process has impeded the Contractor's efforts to meet its obligations.
5. Develop on-the-job training opportunities and/or participate in training programs for the area which expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the Contractor's employment needs, especially those programs funded or approved by the Department of Labor. The Contractor shall provide notice of these programs to the sources complied under g2 above.
6. Disseminate the Contractor's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the Contractor in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc., by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at each location where construction work is performed.
7. Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination, or other employment decisions including specific review of these items with on site supervisory personnel such as Superintendents, General Foremen, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.
8. Disseminate the Contractor's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the Contractor's EEO policy with other Contractors and Subcontractors with whom the Contractor does or anticipates doing business.

9. Direct its recruitment efforts, both oral and written, to minority, female, and community organizations, to schools with minority and female students and to minority and female recruitment and training organizations serving the Contractor's recruitment area and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the Contractor shall send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selection process.
  10. Encourage present minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer, and vacation employment to minority and female youth both on the site and in other area of a Contractor's work force.
  11. Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60-3.
  12. Conduct, at least annually, an inventory and evaluation at least of all minority and female personnel for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.
  13. Ensure that seniority practices, job classifications, work assignments, and other personnel practices, do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure EEO policy and the Contractor's obligations under these specifications are being carried out.
  14. Ensure that all facilities and company activities are nonsegregated except that separate or single-user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.
  15. Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations.
  16. Conduct a review, at least annually, of all supervisor's adherence to and performance under the Contractor's EEO policies and affirmative action obligations.
  17. Covered construction contractors performing contracts in geographical area where they do not have a Federal or Federally assisted construction contract shall apply the minority and female goals established for the geographical area where the contract is being performed. Goals are published periodically in the Federal Register in notice form and such notices may be obtained from any Office of Federal Contract Compliance Programs office or from Federal procurement contracting officers. The contractor is expected to make substantially uniform progress in meeting its goals in each craft during the period specified.
- h. Contractors are encouraged to participate in voluntary associations, which assist in fulfilling one or more of their affirmative action obligations (g1 through 17). The efforts of a contractor association, joint contractor-union, contractor-community, or

other similar group of which the contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under g1 through 17 of these Specifications provided that the contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the Contractor's minority and female work force participation, makes a good faith effort to meet its individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the Contractor. The obligation shall not be a defense for the Contractor's non-compliance.

- i. A single goal for minorities and a separate single goal for women have been established. The Contractor, however, is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority. Consequently, the Contractor may be in violation of the Executive Order if a particular group is employed in a substantially disparate manner (for example, even though the Contractor has achieved its goals for women generally, the Contractor may be in violation of the Executive Order if a specific minority group of women is underutilized).
- j. The Contractor shall not use the goals and timetables or affirmative action standards to discriminate against any person because of race, color, religion, sex, or national origin.
- k. The Contractor shall not enter into any Subcontract with any person or firm debarred from Government contracts pursuant to Executive Order 11246.
- l. The Contractor shall carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause, including suspension, termination, and cancellation of existing subcontract as may be imposed or ordered pursuant to Executive Order 11246 as amended, and its implementing regulations, by the Office of Federal Contract Compliance Programs. Any Contractor who fails to carry out such sanctions and penalties shall be in violation of these specifications, and Executive Order 11246, as amended.
- m. The Contractor, in fulfilling its obligations under these specifications, shall implement specific affirmative action steps, at least extensive as those standards prescribed in paragraph g of these specifications, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the Contractor fails to comply with the requirements of the Executive Order, the implementing regulations, or these specifications, the Director shall precede in accordance with 41 CFR 60-4.8.
- n. The Contractor shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the Government, and to keep records. Records shall at least include for each employee the name, address, telephone numbers, construction trade, union affiliation if any, employee identification number when assigned, social security number, race, sex, status (e.g., mechanic, apprentice trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate to pay, and locations at

which the work was performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, contractors shall not be required to maintain separate records.

- o. Nothing herein provided shall be construed as a limitation upon the application of other laws, which establish different standards of compliance or upon the application of requirements for the hiring of local or other area residents (e.g., those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).

#### C. Certification of Non-Segregated Facilities (Over \$10,000)

By the submission of this bid, the bidder, offerer, applicant, or subcontractor certifies that he does not maintain or provide for his employees any segregated facility at any of his establishments, and that he does not permit employees to perform their services at any location, under his control, where segregated facilities are maintained. He certifies further that he will not maintain or provide for employees any segregated facilities at any of his establishments, and he will not permit employees to perform their services at any location under his control where segregated facilities are maintained. The bidder, offerer, applicant, or subcontractor agrees that a breach of this certification is a violation of the Equal Opportunity Clause of this contract. As used in this certification, the term "segregated facilities" means any waiting rooms, work area, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms, and other storage or dressing areas, \*transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. He further agrees that (except where he has obtained identical certifications from proposed subcontractors for specific time periods) he will obtain identical certification from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity Clause; that he will retain such certification in his files; and that he will forward the following notice to such proposed subcontractors (except where proposed subcontractors have submitted identical certifications for specific time periods).

\* Parking lots, drinking fountains, recreation, or entertainment areas.

#### D. "Section 3" Compliance in the Provision of Training, Employment and Business Opportunities

The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC 1701u. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3 shall, to the greatest extent feasible, be directed to low and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

The parties to this said contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a

notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth the minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.

The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.

The contractor will certify that any vacant employment positions including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations in 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligation under 24 CFR Part 135.

The contractor agrees to submit such reports as required to document compliance with 24 CFR Part 135. Noncompliance with the regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

## 2. CERTIFICATION OF COMPLIANCE WITH AIR AND WATER ACTS

(Applicable to Federally assisted construction contracts and related subcontracts exceeding \$100,000.)

### Compliance with Air and Water Acts

During the performance of this contract, the contractor and all subcontractors shall comply with the requirements of the Clean Air Act, as amended, 42 USC 7401 et seq., the Clean Water Act, as amended, 33 USC 1251 et seq., and the regulations of the Environmental Protection Agency with respect thereto, at 40 CFR, as amended.

In addition to the foregoing requirements, all nonexempt contractors and subcontractors shall furnish to the owner the following:

- A. A stipulation by the contractor or subcontractors that any facility to be utilized in the performance of any nonexempt contract or subcontract is not listed on the list of Violating Facilities issued by the Environmental Protection Agency (EPA).
- B. Agreement by the contractor to comply with all the requirements of Section 114 of the Clean Air Act, as amended, (42 USC 7413) and Section 308 of the Clean Water Act, as amended, (33 USC 1318) relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.
- C. A stipulation that as a condition for the award of the contract, prompt notice will be given of any notification received from the Director, Office of Federal Activities, or EPA,

indicating that a facility utilized, or to be utilized for the contract, is under consideration to be listed on the EPA List of Violating Facilities.

- D. Agreement by the Contractor that he will include, or cause to be included, the criteria and requirements in paragraph (A) through (D) of this section in every nonexempt subcontract and requiring that the Contractor will take such action as the Government may direct as a means of enforcing such provisions.
3. SPECIAL CONDITIONS PERTAINING TO HAZARDS SAFETY STANDARDS AND ACCIDENT PREVENTION

A. Lead-Based Paint Hazards

(Applicable to contracts for construction or rehabilitation of residential structures.)

The construction or rehabilitation of residential structures is subject to the HUD Lead-Based Paint regulations, 24 CFR Part 35 and Revised Missouri Statutes 700.300 - 338. The Contractor and Subcontractor shall comply with the provisions for the elimination of lead-based paint hazards under sub-part B of said regulations. The Owner will be responsible for the inspections and certifications required under Section 35.14 (f) thereof.

B. Use of Explosives

When the use of explosives is necessary for the prosecution of the work the Contractor shall observe all local, state, and Federal laws in purchasing and handling explosives. The Contractor shall take all necessary precaution to protect completed work, neighboring property, waterlines, or there underground structures. Where there is danger to structures or property from blasting, the charges shall be reduced and the material shall be covered with suitable timber, steel, or rope mats.

The Contractor shall notify all owners of public utility property of intention to use explosives at least eight hours before blasting is done close to such property. Any supervision or direction of use of explosives by the Engineer does not in any way reduce the responsibility of the Contractor or his Surety for damages that may be cause by such use.

C. Danger Signals and Safety Devices (Modify as required)

The Contractor shall make all necessary precautions to guard against damages to property and injury to persons. He shall put up and maintain in good condition sufficient red or warning lights at night, suitable barricades, and other devices necessary to protect the public. In case the Contractor fails or neglects to take such precautions, the Owner may have such lights and barricades installed and charge the cost of this work to the Contractor. Such action by the Owner does not relieve the Contractor of any liability incurred under these specifications or contract.

## SUMMARY OF CIVIL RIGHTS LAWS, EXECUTIVE ORDERS, AND REGULATION

CDBG grantees must assure that all project activities will be administered in compliance with civil rights laws and regulations. The following are summaries of those parts of the civil rights laws and regulations that are applicable to CDBG activities.

Title VI of the Civil Rights Act of 1964 provides that no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Title VIII of the Civil Rights Act of 1968, as amended, provides that no person shall, on the basis of race, color, religion, sex, national origin, handicap, or familial status, be discriminated against in housing (and related facilities) provided with Federal assistance or lending practices with respect to residential property when such practices are connected with loans insured or guaranteed by the Federal Government.

Section 109 of the Housing and Community Development (HCD) Act of 1974, as amended, provides that no person in the United States shall, on the ground of race, color, national origin, religion, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under Title I of the Housing and Community Development Act of 1974.

Section 3 of the Housing and Urban Development Act of 1968, as amended, provides that, to the greatest extent feasible, opportunities for training and employment shall be given to recipients of public housing and lower-income residents of the unit of local government or the metropolitan area (or non-metropolitan county) in which the project is located. Contract work in connection with such projects shall be awarded to business concerns which are owned in substantial part by persons residing in the same metropolitan area (or non-metropolitan county) as the project, employ Section 3 residents in full-time positions, or subcontract with businesses which provide economic opportunities to lower income persons.

Section 503 of the Rehabilitation Act of 1973, as amended, provides for nondiscrimination in contractor employment. All recipients of Federal funds must certify Affirmative Action for Handicapped Workers in all contracts issued:

1. The contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The contractor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices, such as employment upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
2. The contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
3. In the event of the contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.

4. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, provided by or through the contracting officer. Such notices shall state the contractor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of applicants and employees.
5. The contractor will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the contractor is bound by the terms of Section 503 of the Rehabilitation Act of 1973, and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.
6. The contractor will include the provisions of this clause in every subcontract or purchase order of \$2,500 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Act, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontractor or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

Section 504 of the Rehabilitation Act of 1973, as amended, provides for nondiscrimination of an otherwise qualified individual solely on the basis of his/her handicap in benefiting from any program or activity receiving Federal financial assistance. All recipients must certify to compliance with all provisions of Section 504.

Age Discrimination Act of 1975 provides that no person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Executive Order 11063, as amended, directs all departments and agencies to take all action necessary and appropriate to prevent discrimination in housing and related facilities owned or operated by the Federal Government or provided with Federal financial assistance, and in the lending practices with respect to residential property and related facilities (including land to be developed for residential use) of lending institutions, insofar as such practices relate to loans insured or guaranteed by the Federal Government.

Executive Order 11246, as amended, provides that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in any phase of employment during the performance of Federal or Federally-assisted construction contracts in excess of \$10,000. Grantees shall comply with Executive Order 11246, as amended by Executive Order 12086, and the regulations issued pursuant thereto (41 CFR Chapter 60), which provide that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in all phases of employment during the performance of Federal or Federally-assisted construction contracts. As specified in Executive Order 11246 and the implementing regulations, contractors and subcontractors on Federal or Federally assisted construction contracts shall take affirmative action to ensure fair treatment in employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training and apprenticeship.

Section 106(d)(5)(B) of Title I of the Housing Community Development Act of 1974, as amended, provides that the grantee will affirmatively further fair housing.

Section 519 of Public Law 101-144 (the 1990 HUD Appropriations Act) requires each unit of general local government which receives Title I funds to adopt and enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations.

Section 906 of the Cranston-Gonzales National Affordable Housing Act, as amended by subsection 104(1) of the HCD Act of 1974, states that no CDBG funds may be obligated or expended to any unit of general local government that fails to adopt and enforce a policy of prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations, or fails to adopt and enforce a policy of applicable state and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstration within its jurisdiction.

Interest of Members of a City. No member of the governing body of the City and no other officer, employee, or agent of the City, who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Contract, and the Consultant shall take appropriate steps to assure compliance.

Interest of Other Local Public Officials. No member of the governing body of the locality and no other public official of such locality, who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Contract, and the Consultant shall take appropriate steps to assure compliance.

Interest of Consultant and Employees. The Consultant covenants that he presently has no interest and shall not acquire interest, direct or indirect, in the study area or any parcels therein or any other interest which would conflict in any manner or degree with the performance of his services hereunder. The Consultant further covenants that in the performance of this Contract, no person having any such interest shall be employed.

## GENERAL PROVISIONS

1. This contract embodies all the representatives, rights, duties and obligations of the parties, and any prior oral or written agreement not embodied herein shall not be binding upon or endure to the benefit of any of the parties.
2. The Contractor agrees to perform the work required by this contract, and the Owner agrees that neither he nor the members of his family, his tenants, agents or employees will hinder the Contractor in his work in carrying out HUD requirements and city codes and policies.
3. No member, officer or employee of the City of \_\_\_\_\_ or its designees or agents, no member of the Governing Body of the locality in which the program is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the program during his tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under the Agreement.

THIS CONTRACT AND ALL TERMS AND CONDITIONS CONTAINED HEREIN ARE APPROVED AND ACCEPTED AS OF THE DATE FIRST ABOVE WRITTEN.

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Contractor

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Owner

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By

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Address

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Address

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Telephone

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Mayor or Authorized City Official

STATE OF MISSOURI ) ss  
COUNTY OF \_\_\_\_\_)

**AFFIDAVIT**  
(as required by Section 285.530, Revised Statutes of Missouri)

As used in this Affidavit, the following terms shall have the following meanings:

**EMPLOYEE:** Any person performing work or service of any kind for hire within the State of Missouri.

**FEDERAL WORK AUTHORIZATION PROGRAM:** Any of the electronic verification of work authorization programs operated by the United States Department of Homeland Security or an equivalent federal work authorization program operated by the United States Department of Homeland Security to verify information of newly hired employees, under the Immigration Reform and Control Act of 1986 (IRCA), P.L. 99-603.

**KNOWINGLY:** A person acts knowingly or with knowledge,

- (a) with respect to the person's conduct or to attendant circumstances when the person is aware of the nature of the person's conduct or that those circumstances exist; or
- (b) with respect to a result of the person's conduct when the person is aware that the person's conduct is practically certain to cause that result.

**UNAUTHORIZED ALIEN:** An alien who does not have the legal right or authorization under federal law to work in the United States, as defined in 8 U.S.C. 1324a(h)(3).

BEFORE ME, the undersigned authority, personally appeared

\_\_\_\_\_, who, being duly sworn,  
states on his oath or affirmation as follows:

1. My name is \_\_\_\_\_ and I am currently the President of \_\_\_\_\_ (hereinafter "Contractor"),

whose business address is \_\_\_\_\_ "and I am  
authorized to make this Affidavit.

2. I am of sound mind and capable of making this Affidavit and am personally acquainted with the facts stated herein.

3. Contractor is enrolled in and participates in a federal work authorization program with respect to the employees working in connection with the following services contracted between Contractor and \_\_\_\_\_

4. Contractor does not knowingly employ any person who is an unauthorized alien in connection with the contracted services set forth above.

FY2013 CDBG Administrative Manual  
Demolition Activity Compliance Requirements

5. Attached hereto is documentation affirming Contractor's enrollment and participation in a federal work authorization program with respect to the employees working in connection with the contracted services.

Further, Affiant sayeth not.

---

Affiant

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 201\_.

Commission #

**CERTIFICATE OF FINAL INSPECTION  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

City of \_\_\_\_\_, MO

Property Number\_\_\_\_\_

Property Owner Name: \_\_\_\_\_

Property Address: \_\_\_\_\_

**CERTIFICATION OF COMPLETION AND FINAL INSPECTION**

Final inspection has been made of the property demolished with Community Development Block Grant assistance. The demolition work has been satisfactorily completed in accordance with the CDBG contract. The property now conforms to the requirements of the Work Write-Up and Specification established for this property.

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Date

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Inspector

The Property Owner hereby accepts as satisfactory the demolition work performed by the contractor authorized by the City of \_\_\_\_\_, Missouri under the guidelines of the Community Development Block Grant Program.

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Date

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Property Owner

---

Date

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Authorized City Official

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## **DEMOLITION PROGRAM (SAMPLE) ORDINANCE/RESOLUTION**

Bill No. \_\_\_\_\_ Ordinance/Resolution No. \_\_\_\_\_

An Ordinance/Resolution of the City/County of \_\_\_\_\_, Missouri, Implementing the Housing Site Demolition and Re-Use Program

WHEREAS, the City/County of \_\_\_\_\_ has received a Community Development Block Grant which provides funds for the demolition of residential and/commercial structures which have been declared blighted by action of the Council/Commission; and

WHEREAS, the City/County of \_\_\_\_\_ desires to implement the Housing Demolition and Re-Use Program; and

WHEREAS, the City/County of \_\_\_\_\_ desires to set forth specific provisions and guidelines concerning the Residential and Commercial Building Demolition and Re-Use Program.

BE IT ORDAINED BY THE CITY COUNCIL/COUNTY COMMISSION OF \_\_\_\_\_  
AS FOLLOWS:

SECTION 1. The City/County shall implement a Demolition and Re-Use Program with funds received from a CDBG grant for the demolition of residential (and commercial) structures, which have been declared blighted by action of the City Council/County Commission.

SECTION 2. The County's/City's grant administrator is hereby authorized and directed to execute for and on behalf of the City/County of \_\_\_\_\_ an agreement with any owners of property which has been declared blighted by action of the City Council/County Commission.

SECTION 3. The agreement shall be substantially the same in form and content as that agreement attached hereto as Exhibit "A" and incorporated herein as it fully and completely set out herein.

SECTION 4. This ordinance shall be in full force and effect from and after its passage and approval by the City Council/county Commission of \_\_\_\_\_.

DULLY READ TWO TIMES AND PASSED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20 \_\_\_\_.

APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20 \_\_\_\_.

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(Mayor or Presiding Commissioner)

ATTEST: \_\_\_\_\_ (SEAL)

Approved as to Contents and Form: \_\_\_\_\_

(Grantee's Counselor)

(Date)

## MODEL UNSAFE BUILDING ORDINANCE

AN ORDINANCE OF THE (CITY/VILLAGE) OF \_\_\_\_\_, MISSOURI, REGARDING DANGEROUS BUILDINGS AS NUISANCES AND THEIR REMOVAL OR RECONDITIONING, PROVIDING FOR THEIR DEMOLITION OR REPAIR BY THE (CITY/VILLAGE) AND PERTAINING TO INSURANCE PROCEEDS FROM DAMAGE OR LOSS TO BUILDINGS OR STRUCTURES.

BE IT ENACTED BY THE COUNCIL OF THE (CITY/VILLAGE) OF \_\_\_\_\_, MISSOURI, AS FOLLOWS:

### **Section 1. Purpose and scope.**

It is the purpose of this ordinance to provide a just, equitable and practicable method for the repairing, vacating or demolition of buildings or structures that may endanger the life, limb, health, property, safety or welfare of the occupants of such buildings or the general public, and this ordinance shall apply to all dangerous buildings, as herein defined, that now are in existence or that may hereafter exist in the (city/village) of \_\_\_\_\_, Missouri.

### **Section 2. Dangerous buildings defined.**

All buildings that are detrimental to the health, safety or welfare of the residents of the (city/village) and that have any or all of the following defects shall be deemed "dangerous buildings":

1. Those with interior walls or other vertical structural members that list, lean or buckle to such an extent that a plumb line passing through the center of gravity falls outside the middle third of its base.
2. Those that, exclusive of the foundation, show thirty-three (33) percent or more damage or deterioration of the supporting member or members, or fifty (50) percent damage or deterioration of the non-supporting enclosing or outside walls or covering.
3. Those that have improperly distributed loads upon the floors or roofs, or in which the same are overloaded or that have insufficient strength to be reasonably safe for the purpose used.
4. Those that have been damaged by fire, wind or other causes so as to become dangerous to life, safety or the general health and welfare of the occupants or the people of the city.
5. Those that are so dilapidated, decayed, unsafe, unsanitary or that so utterly fail to provide the amenities essential to decent living that they are unfit for human habitation, or are likely to cause sickness or disease, so as to work injury to the health, safety or welfare of those occupying such building.
6. Those having light, air and sanitation facilities that are inadequate to protect the health, safety or general welfare of human beings who live or may live therein.
7. Those having inadequate facilities for egress in case of fire or panic or those having insufficient stairways, elevators, fire escapes, or other adequate means of evacuation.
8. Those that have parts thereof that are so attached that they may fall and injure members of the public or property.
9. Those that because of their condition are unsafe, unsanitary or dangerous to the health, safety or general welfare of the people of this city.

### **Section 3. Dangerous buildings declared nuisance.**

All dangerous buildings, as defined by Section 2, are hereby declared to be public nuisances, and shall be repaired, vacated or demolished as provided herein.

### **Section 4. Standards for repair, vacation, or demolition.**

The following standards shall be followed in substance by the building inspector and the building commissioner in ordering repair, vacation, or demolition of any dangerous building.

1. If the dangerous building reasonably can be repaired so that it no longer will exist in violation of the terms of this ordinance, it shall be ordered repaired.
2. If the dangerous building is in such condition as to make it dangerous to the health, safety, or general welfare of its occupants, it shall be ordered to be vacated and repaired.
3. In all cases where a building cannot be repaired so that it no longer will exist in violation of the terms of this ordinance, it shall be demolished.
4. In all cases where a dangerous building is a fire hazard existing or erected in violation of the terms of this ordinance or any ordinance of this (city/village) or statute of the State of Missouri, it shall be repaired or demolished.

### **Section 5. Building inspector.**

All city police officers and all other (city/village) employees so designated by the (mayor, city manager/administrator) shall be building inspectors within the meaning of this ordinance.

### **Section 6. Duties of building inspector; procedure and notice.**

The building inspector shall have the duty under this ordinance to:

1. Inspect, or cause to be inspected, as often as may be necessary, all residential, institutional, assembly, commercial, industrial, garage, special or miscellaneous occupancy buildings for the purpose of determining whether any conditions exist that render such places a dangerous building when he has reasonable grounds to believe that any such building is dangerous.
2. Inspect any building, wall or structure about which complaints are filed by any person to the effect that a building, wall, or structure is or may be existing in violation of this ordinance, and the building inspector determines that there are reasonable grounds to believe that such building is dangerous.
3. Inspect any building, wall, or structure reported by the fire or police departments of this (city/village) as probably existing in violation of this ordinance.
4. Notify in writing, either by personal service or by certified mail, return receipt requested, or if service cannot be had by either of these modes of service, then service may be had by publication in a newspaper qualified to publish legal notices for two (2) successive weeks, the owner, occupant, lessee, mortgagee, agent and all other persons having an interest in said building as shown by the land records of the Recorder of Deeds of \_\_\_\_\_ County, of any building found by him to be a dangerous building within the standards set forth in Section 2. The notice required shall state that:
  - a. The owner must vacate, vacate and repair or vacate and demolish said building and clean up the lot or property on which the building is located in accordance with the terms of the notice and this ordinance;

- b. The occupant or lessee must vacate said building or have it repaired in accordance with the notice and remain in possession;
  - c. The mortgagee, agent or other persons having an interest in said building as shown by the land records of the Recorder of Deeds of the county wherein the land is located, may, at his own risk, repair, vacate, or demolish the building and clean up the property or have such work done, provided that any person notified under this subsection to repair, vacate or demolish any building, or clean up the property shall be given such reasonable time not exceeding thirty (30) days to commence the required work;
5. The notice provided for in this section shall state a description of the building or structure deemed dangerous, a statement of the particulars that make the building or structure a dangerous building and an order requiring the designated work to be commenced within the time provided for in the above subsection;
  6. Report in writing to the city building commissioner the noncompliance with any notice to vacate, repair, demolish, clean up the property or upon the failure to proceed continuously with the work without unnecessary delay;
  7. Appear at all hearings conducted by the building commissioner and testify as to the condition of dangerous buildings.
  8. Immediately report to the building commissioner concerning any building found by him to be inherently dangerous and that he determined to be a nuisance per se. The building commissioner may direct that such building be marked or posted with a written notice reading substantially as follows:

"This building has been found to be a dangerous building by the building inspector. This notice is to remain on this building and/or property until it is repaired, vacated or demolished and the property is cleaned up in accordance with the notice that has been given the owner, occupant, lessee, mortgagee or agent of this building, and all other persons having an interest in said building as shown by the land records of the Recorder of Deeds of \_\_\_\_\_ County. It is unlawful to remove this notice until such notice is complied with."

Provided, however, that the order by the building commissioner and the posting of said notice, shall not be construed to deprive all persons entitled thereto by this ordinance to the notice and hearing prescribed herein.

## **Section 7. Building Commissioner.**

The (mayor, city manager/administrator, city council/board of aldermen, board of trustees or other designated officer or officers) shall act as building commissioner under this ordinance.

## **Section 8. Duties of the building commissioner.**

The building commissioner shall have the power pursuant to this ordinance to:

1. Supervise all inspections required by this ordinance, and cause the building inspector to make inspections and perform all the duties required of him by this ordinance. Upon receiving a complaint or report from any source, that a dangerous building exists in the city, the building commissioner shall cause an inspection to be made forthwith. If the building commissioner deems it necessary to the performance of his duties and responsibilities imposed herein, the building commissioner may request an inspection and report be made by any other city department or retain services of an expert whenever the building commissioner deems such service necessary.

2. Upon receipt of a report from the building inspector indicating failure by the owner, lessee, occupant, mortgagee, agent or other person(s) having interest in said building to commence work of reconditioning or demolition within the time specified by this ordinance or upon failure to proceed continuously with work without unnecessary delay, the building commissioner shall hold a hearing giving the affected parties full and adequate hearing on the matter.

Written notice, either by personal service or by certified mail, return receipt requested, or by publication for two (2) successive weeks, in a newspaper qualified to publish legal notices, at least ten (10) days in advance of a hearing date, to the owner, occupant, mortgagee, lessee, agent and all other persons having an interest in said building as shown by the land records of the recorder of deeds of the county wherein the land is located, to appear before the building commissioner on the date specified in the notice to show cause why the building or structure reported to be a dangerous building should not be repaired, vacated or demolished in accordance with the statement of particulars set forth in the building inspector's notice as provided herein.

Any party may be represented by counsel and all parties shall have an opportunity to be heard.

3. Make written findings of fact from the evidence offered at said hearing as to whether or not the building in question is a dangerous building within the terms of Section 2.
4. If the evidence supports a finding based upon competent and substantial evidence that the building or structure is a dangerous building, the building commissioner shall issue an order based upon its findings of fact commanding the owner, occupant, mortgagee, lessee, agent or other person(s) having an interest in said building as shown by the land records of the county wherein the land is located, to repair, vacate or demolish any building found to be a dangerous building and to clean up the property, provided that any person so notified, shall have the privilege of either repairing or vacating and repairing said building, if such repair will comply with the ordinances of this (city/village) or the owner or any person having an interest in said building as shown by the land records of the county wherein the land is located, may vacate and demolish said dangerous building at his own risk to prevent the acquiring by the (city/village) of the lien against the land where the dangerous building stands. If the evidence does not support a finding that a building or structure is a dangerous building, no order shall be issued.
5. If the owner, occupant, mortgagee or lessee fails to comply with the order within thirty (30) days, the building commissioner shall cause such building or structure to be repaired, vacated or demolished and the property cleaned up as the facts may warrant; and the building commissioner shall certify the cost of the work borne by the (city/village) for such repair, vacation or demolition or cleaned up to the (city/village) clerk as a special assessment represented by a special tax bill against the real property affected; said tax bill shall be a lien upon said property and shall be deemed a personal debt against the property owner(s) unless the building or structure is demolished, secured or repaired by a contractor pursuant to an order issued by the (city/village) and such contractor files a mechanic's lien against the property where the dangerous building is located. The contractor may enforce this lien as provided in Sections 429.010 to 429.360 Revised Statutes of Missouri. Except as provided in subsection 6 of this section, at the request of the taxpayer this special tax bill may be paid in installments over a period of not more than ten (10) years; said assessment shall bear interest at the rate of \_\_\_\_\_ percent per annum until paid.
6. As to damage or loss to a building or other structure caused by or arising out of any fire, explosion or other casualty loss, if an order is issued by the building commissioner as provided in subsection 5 of this section, and a special tax bill or assessment is issued against the property, it shall be deemed a personal debt against the property owner. If there are proceeds of any insurance policy based upon a covered claim payment made for damage or loss to a building or other structure

caused by or arising out of any fire, explosion or other casualty loss, the following procedure is established for the payment of up to twenty-five (25) percent of the insurance proceeds, as set forth in subdivisions a and b of this subsection. This subsection shall apply only to a covered claim payment that is in excess of fifty (50) percent of the face value of the policy covering a building or other structure:

- a. The insurer shall withhold from the covered claim payment up to twenty-five (25) percent of the covered claim payment, and shall pay such moneys to the city to deposit into an interest-bearing account. Any named mortgagee on the insurance policy shall maintain priority over any obligation under the ordinance.
  - b. The (city/village) shall release the proceeds and any interest that has accrued on such proceeds received under subdivision a of this subsection to the insured or as the terms of the policy and endorsements thereto provide within thirty (30) days after the receipt of such insurance moneys, unless the (city/village) has instituted legal proceedings under the provisions of subsection 5 of this section. If the (city/village) has proceeded under the provisions of subsection 5 of this section, all moneys in excess of that necessary to comply with the provisions of subsection 5 of this section for the removal, securing, repair and clean up of the building or structure and the lot on which it is located, less salvage value, shall be paid to the insured.
7. If there are no proceeds of any insurance policy as set forth in subsection 6 of this section, at the request of the taxpayer, the tax bill may be paid in installments over a period of not more than ten (10) years. The tax bill from date of its issuance shall be a lien on the property and a personal debt against the property owner(s) until paid.
  8. Subsection 6 of this section shall apply to fire, explosion, or other casualty loss claims arising on all buildings and structures.
  9. Subsection 6 of this section does not make the (city/village) a party to any insurance contract, and the insurer is not liable to any party for any amount in excess of the proceeds otherwise payable under its insurance policy.
  10. The building commissioner may certify in lieu of payment of all or part of the covered claim under subsection 6 that it has obtained satisfactory proof that the insured has removed or will remove the debris and repair, rebuild or otherwise make the premises safe and secure. In this event, the building commissioner shall issue a certificate within thirty (30) days after receipt of proof to permit covered claim payment to the insured without the deduction pursuant to subsection 6 of this section. It shall be the obligation of the insured or other person making the claim to provide the insurance company with the written certificate provided from this subsection.

## **Section 9. Appeal.**

Any owner, occupant, lessee, mortgagee, agent or any other person(s) having an interest in a dangerous building as shown by the land records of the recorder of deeds of the county wherein the land is located, may, within thirty (30) days from the receipt of the order of the building commissioner, appeal such decision to the circuit court of the county wherein the land is located, pursuant to the procedure established in Chapter 536 of the Revised Statutes of Missouri.

## **Section 10. Emergencies.**

In cases where it reasonably appears that there is immediate danger to the health, life or safety of any person unless a dangerous building, as defined herein, is immediately repaired, vacated or demolished and the property is cleaned up, the building inspector shall report such facts to the building

commissioner and the building commissioner may cause the immediate repair, vacation or demolition of such dangerous building and clean up of the property. The costs of such emergency repair, vacation or demolition of such dangerous building shall be collected in the same manner as provided in Section 7(5).

**Section 11. Violations; disregarding notices or orders.**

1. The owner, occupant or lessee in possession of any dangerous building who shall fail to comply with the order to repair, vacate or demolish said building given by the building commissioner shall be guilty of a misdemeanor and upon conviction shall be punishable as set forth in Section 12.
2. Any person removing any notices provided for in this ordinance shall be guilty of a misdemeanor and upon conviction shall be punished in accordance with Section 12.

**Section 12. Penalties.**

Any person violating the provisions of this ordinance is guilty of a misdemeanor and upon conviction thereof, shall be fined not more than five hundred dollars (\$500). Each day that a person fails to comply with an order of the building commissioner may be deemed a separate offense.

## **PROPERTY OWNER'S DEMOLITION CONSENT, RELEASE, AND AGREEMENT TO MAINTAIN CLEARED LOT (FORM)**

I, the undersigned, being the owner of the land and all structures located at \_\_\_\_\_, realizing that the building or buildings located thereon are substandard, hazardous, and dangerous to the public health and welfare, do hereby grant the City/County of \_\_\_\_\_ permission to demolish, destroy, or burn the above specified structures and to dispose of all resulting demolition debris.

I, the undersigned, do hereby grant the City/County of \_\_\_\_\_, its agents, servants, employees and assigns, for a period of three months from the date of this document, permission to enter upon the above identified land to accomplish said demolition or burning and disposal.

In consideration of the benefit conferred on me by the City/County of \_\_\_\_\_, in said demolition or burning and disposal, I, the undersigned, do hereby release and forever discharge the City/County of \_\_\_\_\_, its agents, servants, employees and assigns from any and all claims, demands, or actions for damages for any and all personal injuries, or loss or damage to property sustained in or growing out of said demolition or burning and disposal, and from complications arising therefrom.

I also hereby agree to fully comply with the City's/County's property maintenance Ordinance/Resolution No. \_\_\_\_\_ and the property reuse provisions as specified below:

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It is understood that the above mentioned benefit is the full consideration for this settlement that the terms of the Release are fully understood and voluntarily accepted.

I HAVE READ THE FOREGOING RELEASE AND FULLY UNDERSTAND IT. IN WITNESS WHEREOF, I have hereunder set my hand this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

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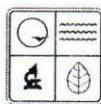
Signature

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Name Printed

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Witness



Missouri Department of Natural Resources

# Construction and Demolition Waste Guidance

Solid Waste Management Program fact sheet

5/2010

As Missouri communities continue to grow, older buildings are being renovated or demolished to make room for newer, more modern buildings. Properly managing waste during demolition helps prevent threats to human health and the environment.

If a demolition or renovation project is entered with an eye toward the environment and human health, the impact to both can be lessened or even removed. This will allow communities to continue to grow in harmony with the citizens and environment.

## Construction and Demolition Waste Regulations

The Missouri Department of Natural Resources regulates demolition and renovation projects for institutional, commercial, public and industrial structures. The department also regulates residential structure projects such as apartment buildings with more than four units or two or more residential structures within 500 feet of each other. Single family residential structures or other residential structures containing four units or less are exempt from most asbestos regulations. However, all construction, demolition and renovation wastes are regulated under the solid waste management law.

All construction, renovation and demolition waste must be properly disposed of at a permitted transfer station or landfill regardless of whether it was generated from a commercial or residential structure. Before a regulated renovation or demolition project begins, the business or entity requesting the work should make the waste disposal a part of the contract. This will deflect liability if the waste is not properly managed and should be considered by the contractors during the bid process.

Demolition or renovation operations can create several different kinds of waste:

- **Clean fill** includes uncontaminated soil, rock, sand, gravel, asphaltic concrete, blocks and bricks, and minimal amounts of wood, metal and inert solids. Minimal means the smallest amount possible. These can be used to fill in excavated holes from demolition or construction projects.
- **Recovered materials** includes doors and windows, which can be removed for reuse, or scrap metal and asphalt shingles, which can be taken to a recycling center.
- **Regulated wastes** are wastes that cannot be used as clean fill and cannot be recovered for reuse or recycling. These wastes must be taken to a permitted landfill or transfer station for proper disposal.
- **Hazardous waste and asbestos containing material** - The most common hazardous materials encountered during demolition and renovation projects are lead paint and objects contaminated by lead paint. There are many rules and regulations regarding management and disposal of hazardous and asbestos containing materials.

For more information about open burning, contact the department's Air Pollution Control Program at 573-751-4817 see the fact sheet *Facts on Open Burning under Missouri's Regulations*, PUB2047 available on the department's website at [www.dnr.mo.gov/pubs/pub2047.pdf](http://www.dnr.mo.gov/pubs/pub2047.pdf).

### **Local Ordinances**

There may be local ordinances stricter than the state's rules and regulations. Any business or entity beginning a renovation or demolition project should be aware of all of the ordinances and regulations affecting them before the project starts.

### **For more information**

Missouri Department of Natural Resources  
Solid Waste Management Program  
P. O. Box 176, Jefferson City, MO 65102-0176  
800-361-4827 or 573-751-5401 office  
573-526-3902 fax  
[www.dnr.mo.gov/env/swmp/index.html](http://www.dnr.mo.gov/env/swmp/index.html)

Missouri Department of Natural Resources  
Air Pollution Control Program  
P.O. Box 176, Jefferson City, MO 65102-0176  
800-361-4827 or 573-751-2706 fax  
[www.dnr.mo.gov/env/apcp/index.html](http://www.dnr.mo.gov/env/apcp/index.html)



Missouri Department of Natural Resources

## Managing Construction and Demolition Waste

Solid Waste Management Program fact sheet

10/2008

This guidance is provided primarily for construction and demolition contractors, waste haulers, roofing contractors, remodeling businesses, homebuilders and homeowners. Cities and counties that issue building permits may also find the information helpful. The guidance covers only wastes commonly produced during building construction, renovation and demolition. Information about managing other wastes is available by contacting the sources listed on the last page of this fact sheet.

This fact sheet is not intended for guidance on the management of surface coatings removed from bridges, water towers or other similar outdoor structures.

### Waste types

During construction, renovation and demolition activities, you may produce one or more of the following types of residuals:

- Clean fill.
- Recovered materials.
- Regulated construction and demolition waste.
- Hazardous materials and hazardous wastes.
- Asbestos-containing materials.

Management requirements differ for each of these.

#### Clean Fill

Clean fill is "uncontaminated soil, rock, sand, gravel, concrete, asphaltic concrete, cinder blocks, brick, minimal amounts of wood and metal and inert (non-reactive) solids...for fill, reclamation or other beneficial use" [§260.200(5), RSMo]. Minimal means the smallest amount possible. For example, concrete containing wire mesh or rebar may be used as clean fill. However, exposed rebar must be removed before use. Under no circumstances are roofing shingles, sheet rock, wood waste or other construction and demolition wastes defined as clean fill.

Concrete, cinder blocks, bricks or other clean fill materials that are painted with non-heavy metal-based paints are also considered clean fill. It is the generator's responsibility to determine if the painted materials are hazardous wastes. The most typical contaminants are lead and other heavy metals. This determination can be made by representative sampling or by applying historical knowledge of the materials in question.

If asphaltic concrete is to be used as clean fill it is recommended that it not be crushed or ground any smaller than necessary. This will help to minimize the leaching of chemicals found within the asphaltic material.

Although not regulated as waste, placement of clean fill materials may be subject to requirements of the Missouri Department of Natural Resources' Water Protection Program if it is placed in contact with surface or subsurface waters of the state, or would otherwise violate water quality standards. Contact the Water Protection Program at 573-751-1300 if you have any questions. Local requirements concerning the use of clean fill may apply as well. Contact the Hazardous Waste Program at 573-751-3176 for questions about determining whether materials may be hazardous and for disposal options.

### **Recovered Materials**

Recovered Materials are those removed for reuse (lumber, doors, windows, ceramic tile and glass) and those removed to be recycled into new products. Potentially recyclable construction and demolition wastes may include scrap metals, asphalt shingles, sheet rock, lumber, glass and electrical wire. However, it is important to remember that recovered waste must be used in some way.

Separating out certain wastes to be recycled into new products without having a market for them is expensive and pointless. Storing recovered materials indoors is expensive. Storing them outdoors may lower their value, since most will degrade or deteriorate when exposed to the weather. Depending on how they are stored, they may harbor rodents, provide breeding grounds for insects or be a potential fire hazard. Recyclables may not be collected and dumped on the ground while waiting for markets to develop. Therefore, before you deliver recyclable materials to a processing or recovery facility be sure the facility is legitimate.

The department's Solid Waste Management Program has information about many recycling facilities in Missouri. You may contact the program at 573-751-5401 or available on the Web at [www.dnr.mo.gov/env/swmp/rrr/rrr.htm](http://www.dnr.mo.gov/env/swmp/rrr/rrr.htm). If you plan to remove reusable or recyclable materials from construction and demolition waste, the sorting must take place at the construction or demolition site. The wastes cannot be hauled from the site and dumped for later sorting, except at a permitted processing facility or at a facility that has received a permit exemption from Solid Waste Management Program. Although the department strongly encourages the recovery or recycling of potential waste materials whenever possible, these activities must be done legally.

### **Regulated Construction and Demolition Wastes**

Regulated construction and demolition wastes are those not classified as clean fill and not being reused or recycled. Regulated non-hazardous construction and demolition wastes must be disposed of at a permitted landfill or transfer station.

To avoid violating air and solid waste laws regulated non-hazardous construction and demolition wastes:

- Cannot be burned. An open burning permit may be applied for to burn untreated wood waste. Contact your nearest regional office for permit information and conditions.
- Cannot be buried (except at a permitted landfill).
- Cannot be hauled to private or public property and dumped, burned or buried, even with the landowner's permission.

If this happens, everyone involved, including the contractor(s), subcontractor(s), the hauler(s) and the landowner(s) can and will be held liable for the illegal disposal (§§260.210, 260.211 and 260.212, RSMo).

If you are a building contractor, you need to know that burying construction waste from a building anywhere on the property is illegal (§260.210.1, RSMo). See page four of this fact sheet for a description of penalties for illegal disposal of construction and demolition waste.

### **Hazardous Materials and Hazardous Wastes**

Although you may find a variety of hazardous materials in old buildings, lead-based paint and asbestos are the most common items dealt with by demolition contractors.

Studies conducted by the U.S. Agency for Toxic Substances and Disease Registry, and by independent researchers, show that the health effects of lead exposure are greater than previously thought. Children are especially vulnerable to the effects of lead poisoning. Because lead and other toxic heavy metals may be contained in the wastes noted above, they require careful management and disposal. For many years, lead-based paint was used in residences and businesses for its stable coating properties. Although lead-based paint was virtually banned by the Consumer Product Safety Commission in 1978 for residential application, it is often encountered when buildings are renovated or demolished. Also, lead-based paint is still manufactured and sold for corrosion or rust inhibition on steel structures and for other industrial purposes. In older buildings, lead was also used for roofs, cornices, tank linings and electrical conduits. In plumbing soft solder, an alloy of lead and tin was used for soldering tinplate and copper pipe joints.

Additional guidance for handling demolition waste containing lead-based paint or other heavy metals, such as cadmium or chromium, is available by calling the department's Hazardous Waste Program at 573-751-3176.

Hazardous waste requirements for demolition wastes - Demolition-related waste categories typically include:

- Paint Residue - Paint chips, paint scrapings and contaminated blast residue from building renovations or demolition projects.
- Demolition Debris - Masonry, metal and boards that have been painted with lead-based or other heavy metal-based paint.
- Scrap Metal - Metal objects that contain lead or other heavy metals.

For households, the following management options apply, whether or not a contractor is doing the work for you:

- Paint Residue - Paint residue may be placed in the household trash. Before disposal, wrap it tightly in a plastic bag or other container. It will be picked up by your trash hauler and taken to a sanitary landfill for disposal.
- Demolition Debris - May be placed in your household trash. It may be picked up by your trash hauler and taken to a sanitary or demolition landfill for disposal.
- Scrap Metal - Scrap metal should be taken to a salvage yard for recycling. If this is not possible, the metal may be placed in your household trash and picked up by your waste hauler for disposal at a sanitary or demolition landfill.

For generators other than households - This category includes commercial and business enterprises, institutions and industrial buildings, and other structures not specifically identified.

**Paint Residue** must be laboratory tested before disposal. The appropriate test method is the Toxicity Characteristic Leaching Procedure, EPA Method 1311, which is described in Appendix 11 of the Code of Federal Regulations, Title 40, Part 261(40 CFR Part 261). The test must include the eight metals noted in 40 CFR Part 261.24 (arsenic, barium, cadmium, chromium, lead, mercury, selenium and silver). Environmental laboratories capable of conducting a Toxicity Characteristic Leaching Procedure may be found in the telephone directory's *Yellow Pages*. If one or more of analytical limits meets or exceeds the regulatory limit, the waste is hazardous.

Hazardous wastes must be managed, transported and disposed of according to the Missouri Hazardous Waste Management Law and Regulations. This may require the generator to send paint residue to a permitted hazardous waste disposal facility. In some cases, a lead smelter may accept lead-based paints for use in its lead production processes. If laboratory analysis shows that the paint residue is non-hazardous, it must be disposed of at a sanitary landfill as "special waste." Paint residue may not be disposed of in a demolition landfill.

Procedures for managing special wastes are included in the fact sheet titled *Special Waste* (PUB2050) available on the department's Web site at [www.dnr.mo.gov/pubs/pub2050.pdf](http://www.dnr.mo.gov/pubs/pub2050.pdf). The landfill may require you to complete a special waste disposal request form, and provide the results of testing on the paint waste to show that it is not hazardous before accepting the waste.

**Demolition debris** need not be tested before disposal, so long as it is not chipped, shredded, milled, ground, mulched or similarly processed. Processed demolition waste should be evaluated as described for paint residue.

**Scrap metal** painted with heavy metals may be sent to a salvage yard for recycling. If this is not possible, the metal may be disposed of at a sanitary or demolition landfill.

### **Asbestos**

All public, institutional or commercial buildings, and in some instances, residential structures, must be inspected for asbestos before renovation or demolition activities. Before planning a demolition project, bidding a project, letting a bid or beginning the demolition, it is important to know if the building has any asbestos-containing materials and who is responsible for removing them. Buildings may contain asbestos in materials such as ceiling or floor tile, as insulation or soundproofing on ceilings, pipes, ductwork or boilers, or on the outside as transite siding or in shingles. The presence of asbestos-containing materials cannot be confirmed just by looking. A thorough inspection of any regulated building must be conducted by a Missouri certified asbestos inspector to determine the presence and condition of asbestos-containing materials. Depending upon the results of the inspection, a registered asbestos abatement contractor may be required. Contact the department's Air Pollution Control Program's Asbestos Unit at 573-751-4817 for more specific information about managing asbestos-containing materials. Visit [www.dnr.mo.gov/env/apcp/Asbestos.htm](http://www.dnr.mo.gov/env/apcp/Asbestos.htm) for more information about asbestos requirements. If the asbestos-containing materials is to go to a landfill or transfer station, contact the facility in advance to see if they will accept materials and if they have any special handling or packaging requirements.

### **Penalties for illegal disposal of construction and demolition wastes**

The Missouri Solid Waste Management Law provides for civil penalties for persons who dispose of or allow the disposal of regulated construction and demolition wastes in un-permitted areas. The law also contains criminal provisions for some types of illegal construction and demolition waste disposal. There may be additional penalties for violations of air, water pollution and hazardous waste laws depending on the situation and means of disposal.

#### **Solid Waste Management Law Violations:**

- **Civil Penalties** - any person who disposes of construction and demolition waste or allows the disposal of construction and demolition waste in an area not permitted for such disposal may be assessed a civil penalty of up to \$5,000 per day per violation (§260.240, RSMo).
- **Criminal Penalties** - any person who purposely or knowingly disposes of or causes the disposal of regulated quantities of construction and demolition waste or other solid waste may be prosecuted for violating the criminal provisions of §§260.211 and 260.212, RSMo. Convictions may include fines of \$20,000 or more, community service, and/or clean up of the

illegally dumped waste. Conviction under §§ 260.211 and 260.212 is a class D Felony for the illegal disposal of residential or commercial waste and for accepting construction and demolition wastes for payment, whether in cash or trade, without a permit. In some cases, persons convicted of illegal dumping have served time in jail.

- **The Missouri Air Conservation Law and regulations** provide for civil penalties of up to \$10,000 per day per violation for persons who violate the requirements for handling, packaging, transporting or disposing of asbestos-containing materials. The federal Clean Air Act also contains civil and criminal penalties for violations. The same penalties apply for persons who illegally dispose of construction and demolition waste by burning.

### **Other requirements**

Other legal requirements related to managing construction and demolition wastes include:

- Anyone engaged in building construction, modification or demolition must maintain a record of all sites used for construction and demolition waste disposal for one year. The records must be made available to department staff upon request (§260.210.7, RSMo).
- Cities and counties that issue building permits are required to notify each permittee in writing of the legal requirements for construction and demolition waste disposal (§260.210.8, RSMo).
- A person shall be guilty of conspiracy if he knows or should have known that his agent or employee has violated the civil or criminal provisions of the law related to illegal disposal of construction and demolition waste or other solid waste (§260.212.9, RSMo).
- Anyone selling, conveying or transferring property that contains construction and demolition waste or other solid waste (whether buried or not), must disclose the existence and location of the waste disposal site to a potential buyer early in the negotiation process (§260.213, RSMo).
- Anyone hauling materials that could fall or blow off a vehicle, including construction and demolition waste, must cover the load or secure it so that none of it can become dislodged and fall from the vehicle (§307.010, RSMo). In addition, many landfills and transfer stations in Missouri require all incoming loads to be covered. Some facilities accept open loads, but may charge you extra for them.
- A person commits the crime of littering if they throw or place, or cause to be thrown or placed, any garbage, trash, refuse or rubbish of any kind on the right-of-way of any public road or highway, in or on any waters of the state or the stream banks, and on any public or private property (owned by another without their consent) (§577.070, RSMo).

### **Additional information**

You may obtain additional information about properly managing construction and demolition wastes from the sources listed below.

#### **Missouri Department of Natural Resources**

Air Pollution Control Program	573-751-4817
Hazardous Waste Program	573-751-3176
Solid Waste Management Program	573-751-5401
Water Protection Program	573-751-1300

#### **Regional Offices**

Kansas City Regional Office	<b>816-622-7000</b>
Northeast Regional Office (Macon)	<b>660-385-8000</b>
St. Louis Regional Office	<b>314-416-2960</b>
Southeast Regional Office (Poplar Bluff)	<b>573-840-9750</b>
Southwest Regional Office (Springfield)	<b>417-891-4300</b>

### On the Web

Construction and demolition information [www.dnr.mo.gov/env/swmp/index.html](http://www.dnr.mo.gov/env/swmp/index.html)  
Environmental publications [www.dnr.mo.gov/pubs/](http://www.dnr.mo.gov/pubs/)

### Additional considerations and sources

Hazardous waste requirements are found in the Missouri Hazardous Waste Management Laws, Sections 260.345 through 260.575 of the Revised Statutes of Missouri (RSMo). The Missouri Hazardous Waste Regulations are found in Title 10, Division 25 of the Code of State Regulations. Most of the federal environmental requirements in Title 40 of the Code of Federal Regulations is adopted by reference into the Missouri regulations.

Solid waste requirements are found in the Solid Waste Management Law in Sections 260.200 through 260.345 RSMo, and the regulations in Title 10, Division 80 in the Code of State Regulations. Copies of the Revised Statutes of Missouri are available through the Revisor of Statutes at 573-526-1288, or are available online at [www.moga.mo.gov](http://www.moga.mo.gov).

Copies of the Missouri Code of State Regulations are available through the Missouri Secretary of State at 573-751-4015, or are available online at [www.sos.missouri.gov/adrules/csr/csr.asp](http://www.sos.missouri.gov/adrules/csr/csr.asp).

Federal regulations are available at federal depository libraries or may be purchased from a U.S. Government Bookstore, the U.S. Government Printing Office, or from a commercial information service such as the Bureau of National Affairs. Federal Regulations are also available online at [www.gpoaccess.gov/cfr/index.html](http://www.gpoaccess.gov/cfr/index.html).

### Other Guidance

The Missouri Department of Health and Senior Services - Office of Lead Licensing and Accreditation may be contacted for information regarding training, licensure and work practice standards for lead abatement activities. Disposal is an abatement activity. See Missouri Revised Statutes 701.300 and 701.338.

Please note that many municipalities have their own additional requirements that might be more strict than those discussed above.

### For more information

Missouri Department of Natural Resources Solid Waste Management Program P. O. Box 176, Jefferson City, MO 65102-0176 800-361-4827 or 573-751-5401 office 573-526-3902 fax <a href="http://www.dnr.mo.gov/env/swmp/index.html">www.dnr.mo.gov/env/swmp/index.html</a>	Missouri Department of Natural Resources Hazardous Waste Program P.O. Box 176, Jefferson City, MO 65102-0176 800-361-4827 or 573-751-7560 office 573-751-7869 fax <a href="http://www.dnr.mo.gov/env/hwp/index.html">www.dnr.mo.gov/env/hwp/index.html</a>
Missouri Department of Natural Resources Air Pollution Control Program P.O. Box 176, Jefferson City, MO 65102-0176 800-361-4827 or 573-751-4817 office 573-751-2706 fax <a href="http://www.dnr.mo.gov/env/apcp/index.html">www.dnr.mo.gov/env/apcp/index.html</a>	Missouri Department of Health and Senior Services Office of Lead Licensing and Accreditation P.O. Box 570, Jefferson City, MO 65102-0570 888-837-0927 or 573-526-5873 573-526-0441 fax <a href="http://www.dhss.mo.gov/Lead/">www.dhss.mo.gov/Lead/</a>



Missouri Department of Natural Resources

## Facts on Open Burning Under Missouri Regulations

Air Pollution Control Program fact sheet

1/2008

Open burning is the burning of any materials in which air contaminants are emitted directly into the air without first passing through a stack or chimney. This fact sheet summarizes allowable and prohibited open burning under Missouri regulations. It does not include open burning restrictions that city or county governments may impose in addition to Missouri's state regulations. Prior to conducting any open burning, businesses and citizens should contact the city or county of jurisdiction for any local restrictions.

The open burning of certain trade wastes and tires is prohibited because the toxic emissions that can be released are harmful to human health. Smoke from fires also typically produces large amounts of small particulate matter that can be inhaled, causing respiratory problems. The burning of common household trash, including paper products and food wastes, can also have severe consequences. Studies have indicated the open burning of an individual household's trash could release pollutants in higher levels than the burning of the trash of thousands of homes by a municipal waste incinerator because the lower combustion temperatures prevent complete incineration. These pollutants can include dioxins, volatile organic compounds, acetaldehyde, formaldehyde, hydrogen chloride and naphthalene. Open burning exposes individuals to toxic emissions that may irritate the eyes, skin and upper respiratory tract. The central nervous system can also be affected causing headaches, dizziness and fatigue.

Because of these potential dangers, the Missouri Department of Natural Resources strongly discourages open burning of any material prior to investigating alternatives. Some rural areas can participate in a "green box" service, which provides a trash collection point near a centrally located county road for local residents to use. Green boxes are usually picked up or emptied once a week. Other options include waste disposal services, waste diversion, recycling and composting. Contact your local Solid Waste Management District for assistance in implementing these safer alternatives to open burning.

### Prohibited Open Burning Under State Regulation

Any waste generated by a business, trade, industry, salvage or demolition operation cannot be burned without a permit issued by the Department of Natural Resources or its delegated local agency. Permits will only be considered for untreated wood wastes. Wastes that may not be burned include but are not limited to tires, rubber products, hazardous materials, styrofoam, plastics, petroleum based products, demolition waste, treated wood and any asbestos-containing material.

## Allowable Open Burning Under State Regulations

*Note: Local governments may have stricter laws and policies*

### Open Burning of Household Refuse

**General Provisions:** Missouri allows open burning of household refuse from four dwelling units or less provided it originates and is burned on the same premises. This exemption does not apply to mobile home parks or apartment complexes. Residential waste is solid waste produced by routine household activities, such as paper waste and garbage from daily activities. This does not include home remodeling wastes, wastes from home businesses, durable goods such as old appliances, carpets or furniture, tires or other nonroutine household waste. Materials such as tires or used oil may not be used to start the fires or be burned in the fires.

**Kansas City and St. Joseph metropolitan areas:** Open burning is allowed provided it occurs within an area zoned for agricultural purposes and outside the portion of the metropolitan areas surrounding the corporate limits of Kansas City and St. Joseph and their bordering municipalities.

**Outstate area:** No special day, time or location restrictions.

**Springfield-Greene County area:** Open burning is allowed provided that burning takes place outside the corporate limits of Springfield and only within areas zoned A-1, Agricultural District.

**St. Louis metropolitan area:** Open burning of household refuse is prohibited in the St. Louis metropolitan area.

### Open Burning of Yard Wastes

**General Provisions:** Missouri allows open burning of yard wastes from sites provided it originates and is burned on the same premises. Materials such as tires or used oil may not be used to start the fires or be burned in the fires. Yard waste includes trees, tree leaves, brush or other vegetation.

**Kansas City metropolitan area:** Open burning of trees, tree leaves, brush or any other type of vegetation requires an open burning permit.

**St. Joseph metropolitan area:** Open burning of residential yard wastes is allowed only during a three week period in spring and during a three-week period in fall between 10 a.m. and 3:30 p.m. The two, three-week periods are to be determined by the city along with state agencies and the state fire marshal.

**Outstate area:** No special day, time or location restrictions.

**Springfield-Greene County area:** Open burning of trees, brush or any other type of vegetation requires an open burning permit. The open burning of leaves is prohibited.

**St. Louis metropolitan area:** Open burning of trees, tree leaves or brush is allowed only in areas outside of incorporated municipalities from Sept. 16 to April 14 of each calendar year. These brush piles are limited to a base of 16 square feet and the burning is allowed from 10 a.m. through 4 p.m.

### **Open Burning for Fire Training Purposes**

Missouri allows fires set for the purpose of training fire fighters provided they are conducted in accordance with National Fire Protection Association Standards 600 and 1403. Timely notification should be provided to the appropriate regional office or delegated local agency.

All fire training exercises involving donated or acquired structures must be conducted in compliance with 40 CFR part 61 subpart M, *National Emission Standard for Hazardous Air Pollutants-Asbestos*. The use of donated or acquired structures for training is discussed in Publication 2029. All petroleum based products and asbestos containing materials must be removed from donated or acquired structures prior to any burning.

### **Open Burning in Agricultural, Natural Resource or Land Management Operations**

Missouri allows agricultural burning throughout the state. However, several exceptions apply. Materials such as tires or used oil may not be used to start the fires or be burned in the fires. Any burning that creates a health hazard, nuisance or produces smoke that impairs visibility for those operating motor vehicles or airplanes is prohibited. Contact the St. Louis Regional Office before burning in the St. Louis metropolitan area from April 15 to Sept. 15. Botanical nursery operations (greenhouses) are not considered agricultural operations.

### **Open Burning in Land Clearing Operations**

Open burning of tree trunks, tree limbs and vegetation from land clearing operations is allowed without an ACD or permit in the outstate area if the burning takes place outside the city limits of any incorporated area or municipality and at least 200 yards from the nearest inhabited dwelling. Materials such as tires or used oil may not be used to start the fires or be burned in the fires. Permits containing special conditions may be issued by regional offices or local agencies for sites unable to comply with the requirements above. See the Required Open Burning Permits section below for exceptions in the Springfield-Greene County area, and Kansas City and St. Louis Metropolitan areas.

### **Open Burning at Wood Processing Facilities**

Open burning of untreated wood waste from wood processing facilities is allowed if production is less than 8,000 board-feet per day and the facility was in existence as of March 25, 1976, but has not relocated to a new site. The burning also must be done at least 200 yards from the nearest occupied structure.

Open burning of untreated wood waste from wood processing facilities is allowed if production is less than 8,000 board-feet per day and the facility has relocated or from new wood processing facilities not in existence as of Sept. 18, 1970, and the facility and the burning are at least one mile outside city limits. The burning also must be done at least 200 yards from the nearest occupied structure.

### **Open Burning for Recreational Purposes**

Campfires and other fires used solely for recreational purposes, ceremonial occasions or for outdoor noncommercial preparation of food are allowed in Missouri. Fires shall include only vegetative woody materials or untreated wood products.

### **Required Open Burning Permits**

The open burning of certain trade wastes, primarily untreated wood wastes such as pallets or crates, throughout the state, and vegetation from land clearing operations in the Springfield-Greene County area and the Kansas City and St. Louis Metropolitan areas, may be permitted only when it can be shown that open burning is the only feasible method of disposal and that disposal is in the public interest. In the St. Louis nonattainment area, permits will not be issued

unless it can be shown that emissions from open burning would be less than any other waste management or disposal method. The open burning permit requires the facility, in most cases, to use an air curtain destructor.

Commercial and municipal utility tree trimming operations must submit a request to the appropriate regional office for an annually renewable open burning permit. The request must describe the general size, condition and age of the tree trunks and tree limbs to be open burned. Air curtain destructors are generally required at dedicated sites where burning occurs.

Commercial and municipal utility tree trimming operations must submit an application for an open burning permit to the appropriate regional office or local agency.

The information provided in this fact sheet should not be construed to permit open burning that causes or constitutes a public health hazard, nuisance or a hazard to vehicular or air traffic or violates any other rule or statute.

### **Definitions**

**St. Louis metropolitan area:** The geographical area comprising St. Louis, St. Charles, Jefferson and Franklin Counties and the city of St. Louis. These counties are also currently a nonattainment area for ground-level ozone.

**Springfield-Greene County area:** The geographical area contained within Greene County.

**Kansas City metropolitan area:** The geographical area comprising Jackson, Cass, Clay, Platte, Ray and Buchanan counties.

**Outstate area:** The geographical area comprising those counties not contained in the St. Louis metropolitan area, the Springfield-Greene County area or the Kansas City metropolitan area.

**Air Curtain Destructor:** An air pollution control device designed to increase burning efficiency, reducing air contaminant emissions during open burning.

**Open Burning Permit:** A permit that must be applied for and then granted in order to open burn or open burn with restrictions. Permit applications must be sent to the Regional Office or local agency that has jurisdiction over your area. Applications are available at [www.dnr.mo.gov/forms](http://www.dnr.mo.gov/forms) or any regional or local agency office.

**Untreated Wood:** Lumber and other wooden materials that have not been chemically treated for resistance to moisture, fire, fungi, insects and other pests or has not otherwise been treated or manufactured with chemicals, or that does not contain adhesives or resins. Untreated wood does not include plywood, particleboard, chipboard or wood with other than minimal amounts of paint, coating or finish.

### **For More Information**

Missouri Department of Natural Resources  
Air Pollution Control Program  
P.O. Box 176, Jefferson City, MO 65102-0176  
1-800-361-4827 or (573) 751-4817 office  
(573) 751-2706 fax  
[www.dnr.mo.gov/env/apcp/index.html](http://www.dnr.mo.gov/env/apcp/index.html)

Missouri Department of Natural Resources  
Solid Waste Management Program  
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1-800-361-4827 or (573) 751-5401 office  
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[www.dnr.mo.gov/env/swmp/index.html](http://www.dnr.mo.gov/env/swmp/index.html)

## **Open Burning Permit Application**

The open burning permit application is to be completed and then submitted to the Missouri Department of Natural Resources' Regional Office that has jurisdiction over your area. The application is to contain the following:

- The name, address and telephone number of the person submitting the application;
- The type of business or activity involved;
- A description of the proposed equipment and operating practices, the type, quantity and composition of trade wastes and vegetation to be burned and expected composition and amount of air contaminants to be released to the atmosphere, if known;
- The schedule of burning operations;
- The location where the open burning will be performed;
- Reasons why an emergency exists or no method other than open burning is feasible; and
- Evidence that the proposed open burning has been approved by the fire control authority and other local agencies that have jurisdiction over burning in the area.

### **For more information call or write:**

Missouri Department of Natural Resources  
Kansas City Regional Office  
500 NE Colbern Road  
Lee's Summit, MO 64086-4710  
(816) 622-7000 office  
(816) 622-7044 fax

Missouri Department of Natural Resources  
Northeast Regional Office  
1709 Prospect Drive  
Macon, MO 63552-2602  
(660) 385-2129 office  
(660) 385-6398 fax

Missouri Department of Natural Resources  
St. Louis Regional Office  
7545 S Lindbergh, Suite 210  
St. Louis, MO 63125  
(314) 416-2960 office  
(314) 416- 2970 fax

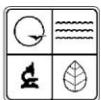
Missouri Department of Natural Resources  
Southeast Regional Office  
2155 N Westwood Blvd.  
P.O. Box 1420  
Poplar Bluff, MO 63901-1420  
(573) 840-9750 office  
(573) 840-9754 fax

Missouri Department of Natural Resources  
Southwest Regional Office  
2040 W Woodland  
Springfield, MO 65807-5912  
(417) 891-4300 office  
(417) 891-4399 fax

All regional offices can receive mail through the P.O. Box 176, Jefferson City, MO 65102-0176 address, but for faster delivery, please use the direct address listed above.

Missouri Department of Natural Resources  
Air Pollution Control Program  
P.O. Box 176, Jefferson City, MO 65102-0176  
1-800-361-4827 or (573) 751-4817 office  
(573) 751-2706 fax  
[www.dnr.mo.gov/alpd/apcp](http://www.dnr.mo.gov/alpd/apcp) Program Home Page

Missouri Department of Natural Resources  
Solid Waste Management Program  
P.O. Box 176, Jefferson City, MO 65102-0176  
1-800-361-4827 or (573) 751-5401 office  
(573) 526-3902 fax  
[www.dnr.mo.gov/alpd/swmp](http://www.dnr.mo.gov/alpd/swmp) Program Home Page



# Disposal of Demolition Wastes Contaminated with Lead or Other Heavy Metals

Hazardous Waste Program fact sheet

8/2008

This fact sheet contains guidance for households, property owners, businesses and contractors who must dispose of the following types of waste:

- **Paint Residue** - Paint chips, paint scrapings and paint-contaminated blast residue from building renovations or demolition projects.
- **Demolition Debris** - Masonry, metal and boards painted with lead-based (or other heavy metal-based) paint.
- **Scrap Metal** - Metal objects containing lead or other heavy metals.

This fact sheet is not intended for guidance on the management of surface coatings removed from bridges, water towers or other similar outdoor structures.

## Why are these wastes a concern?

Recent studies conducted by the U.S. Agency for Toxic Substances and Disease Registry, and by independent researchers, show the health effects of lead exposure are greater than previously thought. Children are especially vulnerable to the effects of lead poisoning. Because lead and other toxic heavy metals may be contained in the wastes noted above, they require careful management and disposal.

For many years, lead-based paint was used in residences and businesses for its stable coating properties. Although lead-based paint was virtually banned by the Consumer Product Safety Commission in 1978 for residential application, it is often encountered when buildings are renovated or demolished. Also, lead-based paint is still manufactured and sold for corrosion/rust inhibition on steel structures and for other industrial purposes.

In older buildings, lead was also used for roofs, cornices, tank linings and electrical conduits. In plumbing, soft solder, an alloy of lead and tin, was used for soldering tinplate and copper pipe joints.

## How may I dispose of these wastes?

In Missouri, the requirements for waste disposal depend on the kind of waste you need to dispose of, and how you are regulated by the law. In all cases, wastes must be managed and disposed of so as not to adversely affect the health of humans, pose a threat to the environment, or create a public nuisance.

## Residential Properties Containing Not More Than Four Family Units

This classification includes owner-occupied family residences, one family rental properties, and owner-occupied, multi-family dwellings of up to four family units. For multi-family dwellings, the owner of the property must occupy at least one of the four units.

All of these management options apply, whether or not a contractor is doing the work for you.

- **Paint Residue** - Paint residue may be placed in the household trash. Before disposal wrap it tightly in a plastic bag or other container. It will be picked up by your trash hauler and taken to a sanitary landfill for disposal.
- **Demolition Debris** - May be placed in your household trash. It may be picked up by your trash hauler and taken to a sanitary or demolition landfill for disposal.
- **Scrap Metal** - Scrap metal should be taken to a salvage yard operator for recycling. If this is not possible, the metal may be placed in your household trash and picked up by your waste hauler for disposal at a sanitary or demolition landfill.

## Other Structures

This category includes multi-family dwellings that are not owner occupied, multi-family dwellings containing more than four family units; commercial and business enterprises, institutions and industrial buildings, and other structures not specifically identified.

- **Paint Residue** - Paint residue must be laboratory tested prior to disposal. The appropriate test method is the Toxicity Characteristic Leaching Procedure, or the TCLP, EPA Method 1311, which is described in Appendix 11 of the Code of Federal Regulations, Title 40, Part 261 (40 CFR Part 261). The test must include the eight metals noted in 40 CFR Part 261.24 (arsenic, barium, cadmium, chromium, lead, mercury, selenium and silver). Environmental laboratories capable of conducting a TCLP may be found in the yellow pages of your telephone directory.

If one or more analytical limits meets or exceeds the regulatory limit, the waste is hazardous. Hazardous wastes must be managed, transported and disposed of according to the Missouri Hazardous Waste Management Law and Regulations. This may require that the paint residue be sent to an authorized disposal facility that specializes in hazardous waste. In some cases, a lead smelter may accept lead-based paints for use in their lead production processes.

If laboratory analysis shows that the paint residue is non-hazardous, it must be disposed of at a sanitary landfill as special waste. Paint residue may not be disposed of in a demolition landfill. Procedures for managing special wastes are included in the guidance, titled *Special Waste* fact sheet available on the department's Web site at [www.dnr.mo.gov/pubs/pub2050.pdf](http://www.dnr.mo.gov/pubs/pub2050.pdf) or by calling the department's Solid Waste Management Program at 800-361-4827 or 573-751-5401.

- **Demolition Debris** - Demolition debris need not be tested prior to disposal, so long as they are not chipped, shredded, milled, ground, mulched or similarly processed to enhance their leachability prior to disposal. Unprocessed wastes may be disposed of in either a sanitary or a demolition landfill in Missouri. Processed demolition waste should be evaluated as described for paint residue.
- **Scrap Metal** - Scrap metal should be sent to a salvage yard for recycling. If this is not possible, the metal may be disposed of at a sanitary or demolition landfill.

## **About landfill disposal**

Please note that a trash hauler or landfill operator has the right to refuse to accept any waste. A landfill may also request that you submit a special waste disposal request (forms available from the Solid Waste Management Program). For this reason, we recommend that you contact the landfill operator for permission prior to shipment. Refusal by one landfill operator does not keep the generator from seeking another landfill operator's permission for disposal.

## **About recycling scrap metal**

The recommended disposal method for scrap metal is recycling rather than disposal. Scrap metal may be sold or given to a salvage yard dealer. Lead scrap metal may also be sent directly to a lead smelter for re-melting and production of new lead and lead products.

## **Additional considerations and sources**

Hazardous waste requirements are found in the Missouri Hazardous Waste Management Laws, Sections 260.345 through 260.575 of the Revised Statutes of Missouri. The Missouri Hazardous Waste Regulations are found in Title 10, Division 25 of the Code of State Regulations. Most of the federal environmental requirements in Title 40 of the Code of Federal Regulations (CFR) are adopted by reference into the Missouri regulations.

Solid waste requirements are found in the Solid Waste Management Law in Sections 260.200 through 260.345 RSMo, and the regulations in Title 10, Division 80 in the CSR.

Copies of the Revised Statutes of Missouri are available through the Revisor of Statutes at 573-526-1288, or are available online at [www.moga.mo.gov](http://www.moga.mo.gov). Copies of the Missouri Code of State Regulations are available through the Missouri Secretary of State at 573-751-4015, or are available online at [www.sos.missouri.gov/adrules/csr/csr.asp](http://www.sos.missouri.gov/adrules/csr/csr.asp).

Federal regulations may be viewed at federal depository libraries or may be purchased from a U.S. Government Bookstore, the U.S. Government Printing Office, or from a commercial information service such as the Bureau of National Affairs. Federal Regulations are also available online at [www.gpoaccess.gov/cfr/index.html](http://www.gpoaccess.gov/cfr/index.html).

## **Other Guidance**

The Missouri Department of Health and Senior Services' Office of Lead Licensing and Accreditation may be contacted for information regarding training, licensure and work practice standards for lead abatement activities. Disposal is an abatement activity. See Missouri Revised Statutes 701.300 701.338.

Please note that many municipalities have additional requirements in addition to those discussed above.

## **For More Information**

Missouri Department of Natural Resources  
Hazardous Waste Program  
P.O. Box 176, Jefferson City, MO 65102-0176  
800-361-4827 or 573-751-7560  
573-751-7869 fax  
[www.dnr.mo.gov/env/hwp/index.html](http://www.dnr.mo.gov/env/hwp/index.html)

Missouri Department of Natural Resources  
Solid Waste Management Program  
P.O. Box 176, Jefferson City, MO 65102-0176  
800-361-4827 or 573-751-5401  
573-526-3902 fax  
[www.dnr.mo.gov/env/swmp/index.html](http://www.dnr.mo.gov/env/swmp/index.html)

**Missouri Department of Health**  
Office of Lead Licensing and Accreditation  
888-837-0927 or 573-526-5873



Missouri Department of Natural Resources

## Asbestos Requirements for Demolition and Renovation Projects

Air Pollution Control Program fact sheet

6/2006

**Disclaimer:** The statements in this document are intended solely as guidance. This document is not intended, nor can it be relied on, to create any rights enforceable by any party in litigation. This guidance may be revised without public notice to reflect changes in law, regulation or policy.

### Introduction

This document is one in a series of fact sheets designed to assist you in becoming aware of the Department of Natural Resources' asbestos requirements. This particular document contains information regarding how to determine if your demolition or renovation project is regulated by the department's air pollution control requirements. It will also help to explain the basic requirements for asbestos inspection, asbestos abatement, and for notification of regulated demolition and renovation projects. Asbestos waste disposal requirements are also covered.

### Determining if Your Project Will Involve Regulated Structures

The first step in determining if your demolition or renovation project is regulated is to determine the type of structure that will be affected. The department regulates demolition and renovation projects involving institutional, commercial, public, industrial, or residential structures, installations or buildings. The only exception to this regulation is for a single residential structure that contains four dwelling units or less. Projects that involve two or more residential structures are not exempt. If the residential structure has been used during the course of its history for any purpose other than residential, such as being converted from residential to office use or converted from commercial to residential use then it is no longer exempt. Any single residential structure that is used in fire training exercises is not exempt.

Multiple residential structures being demolished as part of an urban or rural unsafe building or nuisance abatement program may be exempt if they are geographically dispersed from the remaining structures. The department residential structure to be geographically dispersed if it is greater than 500 feet from other structures involved in the demolition or renovation project. Also, the structure must have been used exclusively for residential purposes.

### Inspection Requirements

Prior to demolition or renovation activities, regulated structures or those areas that will be subject to demolition or renovation activities must be thoroughly inspected to determine if any asbestos containing materials are present. This inspection must be performed by a Missouri-certified asbestos inspector. The inspector should identify all potential asbestos containing materials that may be disturbed by the demolition or renovation activity. Samples of the suspect materials should be collected and submitted for laboratory analysis to determine if they contain asbestos. The asbestos inspector can assume materials to be asbestos containing and avoid additional laboratory analysis. However, an inspector cannot make a determination that a sus-

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spect material is non-asbestos containing without laboratory analysis. The inspector should generate a report of his findings from the inspection. The report should indicate all suspect materials that were identified, as well as quantify the amount, location, category and condition of all asbestos containing materials. The report should also include a copy of the analytical results and chain of custody for all samples that were collected.

In the event that a building is structurally unsound, it may not be possible to thoroughly inspect the entire structure. An inspection should be performed in all areas of the building where it is safe to do so. The final inspection report should clearly indicate what areas, if any, were not inspected. These areas of the building will require special handling during demolition, which is explained later in this bulletin.

If you need assistance with finding a Missouri certified asbestos inspector, you may find a list of inspectors on the department's Web site at [www.dnr.mo.gov/env/apcp/Asbestos.htm](http://www.dnr.mo.gov/env/apcp/Asbestos.htm)

### **Categories of Asbestos Containing Materials**

There are three categories of asbestos containing materials that may be identified by an inspector.

- **Friable asbestos containing material**

Any material containing more than one percent asbestos that, when dry, can be crumbled, pulverized or reduced to powder by hand pressure. Examples of friable materials include sprayed or troweled materials such as acoustical ceiling spray or boiler insulation, paper pipe insulation and drop-in ceiling tile.

- **Category I nonfriable asbestos containing material**

Asbestos containing packings, gaskets, \*resilient floor covering and asphalt roofing products containing more than one percent asbestos. \*(Any vapor barrier on resilient floor coverings such as sheet vinyl or tile is considered friable asbestos.)

- **Category II nonfriable asbestos containing material**

Any nonfriable material, other than category I materials, that contain more than one percent asbestos. Examples of category II materials include asbestos cement wall or roof shingles and cement pipe.

Depending on the type or category of the asbestos containing materials identified at a project and the forces that will eventually act upon them during demolition and renovation, the materials may or may not be regulated by the department's asbestos requirements. To determine the applicability of the department's asbestos requirements, one must determine if the asbestos from your project will meet the definition of Regulated Asbestos Containing Material (RACM).

Regulated Asbestos Containing Material (RACM) includes friable asbestos containing materials; category I nonfriable materials that have become or will become friable or have been subject to sanding, grinding, cutting, burning, or abrading; or category II nonfriable materials that have a high probability of becoming or that have become crumbled, pulverized or reduced to powder by the work practices utilized during the course of demolition or renovation.

### **Requirements for Abatement of Regulated Asbestos Containing Material**

If the asbestos inspection conducted for your renovation or demolition project indicates 160 square feet, 260 linear feet, 35 cubic feet, or more of RACM (threshold quantities) will be im-

pacted by demolition or renovation activities, then all of the RACM must be removed. This removal must be performed by a Missouri registered asbestos abatement contractor.

Abatement contractors are trained in the proper procedures for safely removing and disposing of asbestos containing material and may only employ workers who are trained and subsequently, certified by the department on their projects.

In the event that a building is structurally unsound and it is unsafe to either inspect the building to confirm that no asbestos is present or to remove any RACM identified, the building can be demolished without being inspected or having the RACM removed. However, the demolition must be performed using wet methods and must be performed by a Missouri registered asbestos abatement contractor. Upon completion of the demolition, the debris must be inspected by a Missouri-certified asbestos inspector or assumed to contain RACM. If the asbestos inspection reveals that no RACM is present in the debris, then the debris can be handled as normal demolition waste and be removed by a general demolition contractor. If the asbestos inspection reveals that RACM is present or it is assumed that RACM is present, then all of the demolition debris must be handled as asbestos containing waste, unless the RACM can be isolated from the rest of the debris. All asbestos containing waste must be kept wet until the debris is properly disposed of at an approved sanitary landfill. A registered asbestos abatement contractor must perform the removal of the debris. Upon completion of the debris removal, a site assessment must be done to determine that the area surrounding the demolition site has not been contaminated with asbestos.

If you need assistance with finding a Missouri registered asbestos abatement contractor, a list of contractors is on the department's Web site at [www.dnr.mo.gov/env/apcp/Asbestos.htm](http://www.dnr.mo.gov/env/apcp/Asbestos.htm)

### **Requirements for Abatement of Nonfriable Asbestos Containing Materials**

Most nonfriable materials are not considered RACM unless they are in poor condition or are rendered friable by improper work practices during demolition or renovation. Category I nonfriable materials can generally be left in place during demolition activities provided the method of demolition will not make the material friable. However, for certain types of category I materials, such as floor tile and linoleum, the department generally recommends removal prior to demolition as these materials could easily be rendered friable during the demolition process. Also, leaving these materials in place may increase the amount of material considered as asbestos waste and may increase the cost of disposal. If category I ACM is left in place, work practices must be implemented to ensure the material is not made friable during removal or demolition. Any activity that will result in the material being subject to sanding, grinding, cutting, abrading, or burning may cause the material to become subject to regulation, depending on the quantity of RACM involved.

If threshold quantities of category II materials will be impacted, then they must be removed prior to demolition or renovation activities. This removal must be performed in a manner that does not render the material friable. If the material is crumbled, pulverized or reduced to powder during the demolition or removal process, the material may become subject to regulation depending on the quantity of RACM involved.

The Occupational Safety and Health Administration (OSHA) has specific work practice standards for friable and nonfriable Category I and Category II asbestos containing materials. While the removal of nonfriable materials may not be regulated by the department, the material can still pose a safety risk if handled improperly. For any project involving asbestos, whether regulated by the department or not, the use of trained asbestos professionals that are familiar with the

OSHA standards for any asbestos removal work should be considered.

In addition, nonregulated asbestos containing material is still considered a solid waste and must be properly disposed of at an approved landfill or transfer facility in accordance with the

Solid Waste Management Law. You should contact the facility where you plan to dispose of your asbestos waste for additional information on how the material should be packaged and delivered to their facility for disposal.

### **Notification Requirements**

There are two types of notifications required by the department in regard to demolition and renovation projects, asbestos abatement project notification and demolition project notification. Asbestos abatement project notifications must be submitted to the department at least 10 working days prior to the start of a regulated asbestos abatement project. This notification period allows the department the time it needs to prepare to inspect the project to ensure that it is being performed in compliance with all of the applicable requirements. In the case of emergency situations, the department can waive the 10 working day notification period.

However, verbal notice must be provided to the department within 24 hours of the onset of the emergency that describes the nature and scope of the emergency, the measures that will be taken to mitigate the situation, and a schedule for asbestos removal. A written notice must then be submitted to the department within seven days of the onset of the emergency.

The second type of notification is demolition notification. Demolition notification must be provided to the department at least 10 working days prior to the demolition of any regulated structure. This notice is required even if there is no asbestos identified on your project. This notification period provides the department the opportunity to inspect the structure prior to demolition to ensure that all asbestos issues have been properly addressed. A copy of the asbestos inspection report must accompany this notification. In the event a structure is in danger of imminent collapse and has been ordered demolished by a state or local government agency, the department can waive the 10 working day notification period. In this case, notice should be provided as early as possible before, but no later than the following working day. A copy of the government order must also be included with the notification.

It is the obligation of both the owner and any contractors involved to ensure that these notices are provided to the department. Failure to submit the notification is in violation of the department's requirements. The department will issue an approval letter for all asbestos abatement and demolition project notifications for regulated projects. Owners or contractors performing these types of projects should not proceed with the project without this approval.

You may obtain copies of the required notification forms from the department's Web site at [www.dnr.mo.gov/env/apcp/Asbestos.htm](http://www.dnr.mo.gov/env/apcp/Asbestos.htm)

### **Asbestos Waste Disposal Requirements**

Asbestos waste from regulated projects involving threshold quantities of RACM must be handled in strict accordance with the department's requirements for asbestos waste disposal. Wastes from these projects must be handled by registered asbestos abatement contractors, who are trained in the provisions for proper waste disposal. These requirements include packaging the material in leak tight containers or wrapping and properly marking and labeling the bags with an asbestos warning label and the information for the generator of the waste. The material must be taken to an approved sanitary landfill or transfer station that accepts asbestos containing waste.

Nonfriable asbestos containing materials that are not made friable are not regulated by the department's asbestos requirements. However, this material is still considered a solid waste

and must be properly disposed of at an approved landfill or transfer facility in accordance with the Solid Waste Management Law. You should contact the facility where you plan to dispose of your asbestos waste prior to removal to determine any specific procedures for waste delivery (packaging, wetting, etc.).

#### **Asbestos Contact Information**

For more information on the department's asbestos requirements, you may contact the department's Air Pollution Control Program or one of the department's other offices with the following contact information:

Missouri Department of Natural Resources  
Air Pollution Control Program  
P.O. Box 176  
Jefferson City, MO 65102  
(573) 751-4817 - phone  
(573) 751-2706 - fax  
[www.dnr.mo.gov/env/apcp](http://www.dnr.mo.gov/env/apcp) Program Home Page

#### **Other Department Offices**

Kansas City Regional Office	Lee's Summit	(816) 622-7000
Northeast Regional Office	Macon	(660) 385-8000
St. Louis Regional Office	St. Louis	(314) 416-2960
Southeast Regional Office	Poplar Bluff	(573) 840-9750
Southwest Regional Office	Springfield	(417) 891-4300

#### **Local Agencies**

In Missouri, there are also four local agencies that have been delegated by the department to enforce the asbestos requirements. These local agencies may also have more stringent local ordinances that they enforce as well. Prior to performing a project in one of the following jurisdictions, you should contact the appropriate local agency to determine if any additional requirements apply.

<b>Jurisdiction</b>	<b>Agency</b>	<b>Telephone</b>
Kansas City proper	Kansas City Health Department, Air Quality Section	(816) 513-6314
St. Louis City proper	St. Louis Division of Air Pollution Control	(314) 613-7300
St. Louis County	St. Louis County Health Department	(314) 615-8923
Springfield proper	Springfield-Greene County Health Department	(417) 864-1662

#### **Additional Asbestos Related Guidance Documents**

For more specific information on the department's requirements in regard to asbestos, please reference the additional guidance documents listed below or contact the department or appropriate local agency at the contact information listed above.

These documents are available for free download from the department's Web site at [www.dnr.mo.gov/pubs/index.html](http://www.dnr.mo.gov/pubs/index.html).

- *Asbestos: What is it and Why is it a Concern?* PUB2077
- *Management of Nonfriable Asbestos Containing Materials* PUB2156
- *Requirements for Fire Training Exercises Involving Structures* PUB2029
- *Natural Disaster Assistance for Missouri Citizens - How to Handle Asbestos Containing Debris* PUB2121



Missouri Department of Natural Resources

## Management of Nonfriable Asbestos Containing Materials

Air Pollution Control Program fact sheet

2/2009

**Disclaimer:** The statements in this document are intended solely as guidance. This document is not intended, nor can it be relied on, to create any rights enforceable by any party in litigation. This guidance may be revised without public notice to reflect changes in law, regulation or policy.

### Introduction

This document is one in a series of fact sheets designed to assist you in becoming aware of the department's asbestos requirements. This particular document contains information regarding how to properly remove and dispose of nonfriable asbestos containing materials.

### Categories of Asbestos Containing Materials

There are three categories of asbestos containing materials, or ACM. These materials should be identified by a certified inspector prior to any renovation or demolition activities. They are as follows:

- **Friable asbestos containing material**

Any material containing more than one percent asbestos that, when dry, can be crumbled, pulverized or reduced to powder by hand pressure. Examples of friable materials include sprayed or troweled materials such as acoustical ceiling spray or boiler insulation, paper pipe insulation and drop-in ceiling tile.

- **Category I nonfriable asbestos containing material**

Asbestos containing packings, gaskets, \*resilient floor covering and asphalt roofing products containing more than one percent asbestos. \*(Any vapor barrier on resilient floor coverings is considered friable asbestos.)

- **Category II nonfriable asbestos containing material**

Any nonfriable material, other than category I materials, that contain more than one percent asbestos. Examples of category II materials include asbestos cement wall or roof shingles and cement pipe.

Depending on the type or category of asbestos containing materials present on a project and the work practices used during demolition or renovation to remove them, the materials may or may not be regulated by the department's asbestos requirements. To determine the applicability of the department's asbestos requirements, one must determine if the asbestos from your project will meet the definition of Regulated Asbestos Containing Material, or RACM.

Regulated Asbestos Containing Material includes friable asbestos containing materials; category I nonfriable materials that have become or will become friable or have been subject to sanding, grinding, cutting, abrading or burning; or category II nonfriable materials that have a high probability of becoming or that have become crumbled, pulverized or reduced to powder due to the work practices used during the course of demolition or renovation.

### **Removal of Category I and II Nonfriable Materials**

Most nonfriable materials are not regulated by the department, unless they are in poor condition or are rendered friable by improper work practices during demolition or renovation. Category I nonfriable materials can be left in place during demolition, provided the work practices used will not make the material friable. However, for certain types of category I materials, such as floor tile and linoleum, the department generally recommends their removal prior to demolition as these materials could easily be rendered friable during the demolition. Also, leaving these materials in place may increase the quantity of asbestos waste resulting in increased disposal costs. It should be noted that materials that contain or are coated with asbestos can not be used as clean fill materials. If Category I ACM is left in place, work practices must be implemented to ensure the material is not made friable during removal or demolition. Any activity that will result in the material being subject to sanding, grinding, cutting, abrading, or burning may cause the material to become subject to regulation, depending on the quantity of ACM involved.

If a threshold or regulated quantity of RACM, including Category II materials, will be impacted, they must be removed prior to demolition or renovation activities. Category II materials must be removed in a manner that does not render the material friable. Improper work practices or materials in poor condition are considered RACM. If the material is crumbled, pulverized or reduced to powder during demolition or removal activities, the material may become subject to regulation depending on the quantity of RACM involved.

Any project involving a threshold amount of RACM (160 square feet, 260 linear feet, or 35 cubic feet) must be performed by a registered asbestos abatement contractor. This includes situations where the material was originally nonfriable but is now in poor condition and situations where nonfriable materials will be made friable during demolition, renovation or removal.

### **Examples of Nonfriable Materials and Acceptable Removal Techniques**

- Category I Asphalt Roofing Material is not regulated by the department as long as the material is in good condition and it is not made friable during removal or demolition. This material can generally be left in place during demolition activities, but still must be disposed of at a permitted landfill or transfer station. You should contact your disposal facility to determine how they will require this material to be packaged and delivered. Roofing material may be sliced by a manual cutter or knife, however, the use of mechanical devices such as a rotating blade roof cutter or other equipment will render roofing products friable. The U.S. Environmental Protection Agency has determined that use of this kind of equipment on more than 5,580 square feet of roofing will make the project subject to regulation. If this is the case, then the project must be performed by a registered asbestos abatement contractor in accordance with all applicable asbestos work practice requirements.
- Category I Vinyl or Asphaltic Floor Tile is not regulated by the department as long as the material is in good condition and is not made friable during demolition or renovation activities. Tile can generally remain in place during demolition, but care must be taken to ensure the material is left largely intact. Since it is difficult to control the degree of breakage that may occur, the department generally recommends that floor tile be removed prior to demolition. Tile may be removed from a structure as an unregulated project if manual methods are used and the tile is removed in largely intact pieces. One acceptable nonfriable removal method would be to flood the tiled area with water to loosen the tile and then popping the material from the subfloor with a spud hoe. Breakage of the tile should be minimized. Other methods include the use of mastic reducers or an infrared heating device to loosen the tile from the glue or mastic before removing the tile with manual tools as discussed above. In both cases, the tile

removed largely intact and should be lowered carefully to the ground. The material should be kept wet with amended water to further reduce the possibility of emissions. The material should be wrapped or packaged in accordance with the requirements of the disposal facility that will be used.

Beating, prying and dropping of the panels from an elevated position will likely cause the material to become crumbled and subsequently regulated as RACM. If more than a threshold amount of the material cannot be removed without breaking or crumbling the material, then the project must be performed by a registered asbestos abatement contractor in accordance with all applicable asbestos work practice requirements.

- Category II Asbestos Cement Roofing shingles are not regulated by the department as long as the material is in good condition and is not made friable during demolition or renovation activities. This material must be removed prior to demolition or renovation activities that will result in significant breakage, crumbling or pulverizing of the material. The removal of this material should follow the same protocols as stated above for asbestos cement siding. However, using amended water on the material may not be appropriate if it will compromise the safety of workers removing the material.

### **Disposal of Nonfriable Materials**

Nonfriable asbestos containing materials are not subject to the department's asbestos waste disposal requirements. However, this material is still considered a solid waste and must be properly disposed of at an approved landfill or transfer facility in accordance with the Solid Waste Management Law. You should contact the facility where you plan to dispose of your asbestos waste prior to removal to determine any specific procedures for waste delivery such as packaging, wetting, and labeling.

Nonfriable materials that become RACM must be handled in strict accordance with the requirements for asbestos waste disposal. Projects involving RACM must be performed by registered asbestos abatement contractors who are trained in the provisions for proper handling, packaging and waste disposal. These requirements include packaging the material in leak tight containers or wrapping and properly marking and labeling the bags with an asbestos warning label and information identifying the generator of the waste. The material must be taken to an approved disposal facility, such as a sanitary landfill, that accepts asbestos containing waste.

### **Notification Requirements**

Provided the nonfriable ACM is in good condition and not made friable during the course of removal or demolition, there is no requirement for notification to be provided to the department prior to removal during renovation projects. However, the department encourages courtesy notifications to be submitted for these projects. Notification is required for all demolition projects involving regulated structures, regardless of asbestos content.

In the event that the nonfriable ACM is in poor condition (friable) or will be removed in a manner that will make it regulated as RACM, then notification must be provided 10 working days prior to the start of the project. This notice should be provided by the asbestos abatement contractor who is to perform the removal.

### **Minimizing Exposure**

For individuals working with nonfriable asbestos containing materials, respiratory protection consisting of high efficiency particulate air (HEPA) filtered respirators is recommended. Disposable protective clothing is also advised. An amended water solution consisting of approximately one ounce of liquid detergent to one gallon of water should be used before and

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during removal to keep the material adequately wet to minimize fiber release. Amended water should not be used on roofing projects where fall hazards exist or near electrical sources. Waste materials should be promptly bagged or wrapped for disposal and taken to a permitted solid waste landfill or transfer station.

While the removal of nonfriable materials may not be regulated under the department's asbestos requirements, the material can still pose a safety risk if handled improperly. For this reason, the Occupational Safety and Health Administration, or OSHA, also has requirements governing asbestos removal to ensure adequate protection of the workers performing the removal. For any project involving asbestos, whether regulated by the department or not, the department would recommend the use of trained asbestos professionals that are familiar with the OSHA standards for any asbestos removal work. To learn more about OSHA standards for asbestos removal, you may contact OSHA at one of the numbers listed below.

OSHA in St. Louis (eastern Missouri area) - 800-392-7743

OSHA in Kansas City (western Missouri area) – 800-892-2674

**Asbestos Contact Information**

For more information on the department's asbestos requirements, you may contact the department's Air Pollution Control Program or one of the department's other offices with the following contact information:

Missouri Department of Natural Resources  
Air Pollution Control Program  
P.O. Box 176  
Jefferson City, MO 65102  
573-751-4817  
573-751-2706 - fax  
[www.dnr.mo.gov/env/apcp/index.html](http://www.dnr.mo.gov/env/apcp/index.html)

**Other Department Offices**

Kansas City Regional Office	Lee's Summit	816-622-7000
Northeast Regional Office	Macon	660-385-8000
St. Louis Regional Office	St. Louis	314-416-2960
Southeast Regional Office	Poplar Bluff	573-840-9750
Southwest Regional Office	Springfield	417-891-4300
Environmental Services Office	Jefferson City	800-361-4827

**Local Agencies**

In Missouri, there are also four local agencies delegated by the department to enforce the asbestos requirements. These local agencies may also have more stringent local ordinances that they enforce as well. Prior to performing a project in one of the following jurisdictions, you should contact the appropriate local agency to determine if any additional requirements apply.

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Jurisdiction	Agency	Telephone
Kansas City proper	Kansas City Health Department, Air Quality Section	816-513-6314
St. Louis City proper	St. Louis Division of Air Pollution Control	314-613-7300
St. Louis County	St. Louis County Health Department	314-615-8923
Springfield proper	Springfield-Greene County Health Department	417-864-1662

**Additional Asbestos Related Guidance Documents**

For more specific information on the department's requirements in regard to asbestos, please reference the additional guidance documents listed below or contact the department or appropriate local agency at the contact information listed above.

- *Asbestos: What is it and Why is it a Concern?*
- *Asbestos Requirements for Demolition and Renovation Projects*
- *Requirements for Fire Training Exercises Involving Structures*
- *Natural Disaster Assistance for Missouri Citizens - How to Handle Asbestos Containing Debris*

## **REQUEST FOR PROPOSALS**

### **DEMOLITION INSPECTION SERVICES**

The City of Anytown requests proposals for demolition inspection services to assist in a potential project financed in part with Community Development Block Grant funds. The project consists of the demolition of # residential and # commercial vacant dilapidated structures throughout the community. Services requested include the following:

- A. Conduct and complete a checklist to document a preliminary inspection of each structure and determine deficiencies in each structure
- B. Prepare a scope of work and obtain an assessment from the asbestos inspector
- C. Prepare cost estimate, bid documents and other contract provisions
- D. Collaborate with the City, grant administrator and asbestos inspector as necessary to ensure CDBG requirements and DNR asbestos and waste disposal regulations, are met
- E. Assist the City with regard to the solicitation bids
- F. Represent the City during the demolition and clean up phase of the project
- G. Prepare change orders
- H. Approve requests for payments
- I. Inspect project progress
- J. Provide Certificate of Completion
- K. Report to the City periodically on the progress of the project
- L. Attend monitoring visits conducted by CDBG

Information provided to the City shall include:

- (a) The specialized experience and technical competence of the firm or person with respect to working on CDBG funded demolition projects and/or other demolition projects.
- (b) Experience in building construction trades. The minimum experience required includes at least one-year experience in one of the following: building construction supervisory position, trades instructor, full time city code inspector or as a demolition inspector.
- (c) The past performance of the firm or person with respect to such factors as accessibility to clients, ability to meet schedules, communication and coordination skills.
- (d) The firm or person's proximity to and familiarity with the area in which the project is located.
- (e) Cost of services per unit and total price for the following activities: Inspection of structures, preparation of project specifications, bid solicitation/tabulation and inspection monitoring for demolition work and finished grade.
- (f) References from previous clients of related work with the firm within the past five years.

The firm will be selected on the above qualifications. The above information should be submitted no later than 4:00 pm April 1, 2012, City Hall, 111 First Street, Anytown, MO 66000. For information contact City Clerk at 555-555-5555.

The City of Anytown is an Equal Opportunity Employer and invites the submission of proposals from minority and women-owned firms.

## **SAMPLE REQUEST FOR PROPOSALS ASBESTOS INSPECTION**

The City of Anytown requests proposals for a Missouri certified asbestos inspector to assist in a demolish project funded in part with Community Development Block Grant. The project consists of the demolition of # residential and # commercial vacant dilapidated structures.

Inspection services shall include the identification of any and all materials that may need abatement and proper disposal to conform with all applicable MO DNR regulations.

Information provided to the city must include:

1. The specialized experience and technical competence of the firm with respect to asbestos assessment and inspection services and related work. The firm must be currently licensed and remain licensed with Missouri Department of Natural Resources until project completion.
2. Past performance of firm with respect to such factors as accessibility to clients, quality of work, and ability to meet schedules.
3. Knowledge of and compliance with State of Missouri Department of Natural Resources, reporting, and notification documents.
4. Cost of services should be calculated on a per unit basis.
5. References from previous clients of related work with the firm within the past five years.
6. Copy of current MO DNR Asbestos Inspection license

The firm will be selected on the above qualifications. The above information should be submitted no later than 4:00 pm April 1, 2012, City Hall, 111 First Street, Anytown, MO 66000. For information contact City Clerk at 555-555-5555.

The City of Anytown is an Equal Opportunity Employer and invites the submission of proposals from minority and women-owned firms.

## Demolition Tracking Sheet

Grantee\_\_\_\_\_

Project #\_\_\_\_\_

Property Owner\_\_\_\_\_

Address\_\_\_\_\_

Demolition Contractor\_\_\_\_\_

Amount of Contract\_\_\_\_\_

CDBG amount of contract\_\_\_\_\_

Property owner amount of contract\_\_\_\_\_

RFF # & Amount\_\_\_\_\_

RFF # & Amount\_\_\_\_\_

RFF # & Amount\_\_\_\_\_

RFF # & Amount\_\_\_\_\_

Demolition Inspector\_\_\_\_\_

Demolition Inspector Contract Amount\_\_\_\_\_

RFF# \_\_\_\_\_ Amount \$\_\_\_\_\_

Asbestos Inspector\_\_\_\_\_

Asbestos Abatement Contractor\_\_\_\_\_

Asbestos Abatement Contract Amount\_\_\_\_\_

RFF # \_\_\_\_\_ Amount \$\_\_\_\_\_

Lead Risk Assessor \_\_\_\_\_

Lead Risk Assessor Contract Amount\_\_\_\_\_

RFF# \_\_\_\_\_ Amount \$\_\_\_\_\_

## Chapter XI

### CDBG CLOSE-OUT

#### Introduction

24 CFR 85.50 addresses the timing of grant close-outs as follows: "Within 90 days after the date of expiration or termination of the grant, the grantee must submit all financial, performance, and other reports required as a condition of the grant." DED has interpreted the time period to include the requirement of the grant being closed out, with the possible exception of the audit, within 90 days of completion of project activities. Consideration will be given to the timing at the close-out monitoring visit by CDBG staff.

The close-out process encompasses a series of activities to verify that CDBG funds have been properly spent and that the city or county has completed the elements of its program in a timely and acceptable manner. The timeliness and content of information presented at close-out is considered by DED to determine future CDBG applications. It is very important that recipients pay careful attention to close-out procedures as a final step in the CDBG management process. The grantee must retain all records for a period of five years from the date the State executes the Certificate of Completion.

There are five major tasks involved in closing out a program:

1. Resolution of all monitoring findings
2. Completion of close-out public hearing and submission of the hearing minutes and affidavit of publication
3. Submission of close-out report (one original copy)
4. Submission of Certificate of Completion (three originally signed copies)
5. Completion and submission of the final audit

The close-out process should begin when the following criteria have been met or will be met shortly.

1. All costs to be paid with program funds have been paid, including any unsettled third-party claims, with the exception of close-out costs, such as the cost of the final audit and the final 10% administration costs. (See the Financial Management Chapter.)
2. The recipient has fulfilled all of its responsibilities under the Funding Agreement. This includes injection of all local cash and in-kind services, other State and/or Federal funding, all private investment, and job creation/retention (in the case of economic development projects). Delays in completing close-out can result in the denial of future requests for CDBG funding.

#### Types of Close-outs

There are two types of close-outs that can occur at project completion.

1. When all conditions of the grant have been met and all five tasks mentioned above are received and approved, the close-out can be finalized. This is the **regular** close-out procedure.
2. When the conditions of the grant have been met and all documentation has been received and approved except for the remaining audit, the grant can be **administratively closed, if the grantee is paying for the audit. If CDBG is paying for audit costs, the grant must remain open until audit invoices are paid, and the audit has been received and approved by DED.**

Administrative close-out is noted on the Certificate of Completion, and any disallowed costs by the audit shall be remitted to DED. Once the audit is submitted to the Federal Audit Clearinghouse and approved by CDBG, the grant is considered finalized.

## **Close-out Report Forms**

The close-out report includes the following forms.

1. **State CDBG Close-out Report Cover Sheet:** This form must be signed by the Mayor or Presiding County Commissioner. This form also requests that all written citizen comments/complaints received during the grant, plus the grantee's responses, be attached to the report.
2. **Form 2: Income Data for Program Beneficiaries:** This form is used to report LMI data for all beneficiaries (direct beneficiaries, direct beneficiary applicants, and indirect beneficiaries). **Direct Beneficiaries** are defined as those for which an application or personal income verification must be submitted (housing rehabilitation, new sewer/water hook-ups, or jobs). (See ED/1 below.) **Direct Beneficiary Applicants** are those who applied for housing rehabilitation, sewer/water hookup, or jobs. This includes **all** applicants, both successful and unsuccessful. **Indirect Beneficiaries** are those served by the activity although an application is not required (replacement of sewer/water lines where no new hook-ups occur, streets, clearance, drainage, etc.)

All beneficiary (both income and racial/ethnic) data is reported by CDBG activity (sewer treatment, bridges, housing rehabilitation, acquisition, etc). Do not report beneficiaries for administration or legal activities. The beneficiaries of engineering design, inspection, and architectural fees are the same as the beneficiaries for the construction activity and do not have to be reported separately.

The form includes a space for total beneficiaries and total Low-to-Moderate Income (LMI) beneficiaries. Please notice that three additional levels of LMI beneficiary data must also be reported: Low/Mod (80% of county median), Low (50%), and Very Low (30%). These totals are **non-cumulative**: Low/Mod includes all beneficiaries at or below 80% of county median but above 50%; Low includes all those at or below 50% of county median but above 30%; and Very Low includes all those below 30%.

3. **Form 3: Population Group Data for Direct Beneficiaries:** This form is used to report the racial breakdown of direct beneficiaries by ethnic designation (total and Hispanic). (See ED/1 below.)
4. **Form 4: Population Group Data for Direct Beneficiary Applicants:** This form used is to report the racial breakdown of direct beneficiary applicants by ethnic designation (total and Hispanic). (See ED/1 below.)
5. **Form 5: Population Group Data for Indirect Beneficiaries:** This form is used to report the racial breakdown of indirect beneficiaries by ethnic designation (total and Hispanic).
6. **Form 6: Project Accomplishments:** This form lists, by line item on the Funding Approval, the quantitative results of the project. Professional services should not be included.
7. **Form U: Data Collection for CDBG Performance Measures:** This form collects required data for CDBG Performance Reports. This form was filled out (with proposed numbers) as part of the application beginning in FY06; a revised Form U (with actual numbers) is required as part of the closeout report. For existing housing projects, a Form U(h) is required. Form U(h) has not been included in the closeout report in this chapter as only a limited number of housing projects are still open. **Housing grantees preparing to close the project must obtain Form U(h) from CDBG staff.**
8. **Form ED/1:** This form is required on close-outs for all programs under the economic development category. It replaces Forms 2, 3, and 4, Direct Beneficiaries (and applicants) discussed above.

Any changes in beneficiaries on the close-out report from the applicant should be verifiable through file documentation. CDBG requires that only one copy of the close-out report be submitted.

## **Section 3 Summary Report**

The Section 3 program requires that recipients of certain HUD financial assistance, to the greatest extent possible, provide job training, employment, and contract opportunities for low- or very-low income residents in connection with projects and activities in their neighborhoods. The Section 3 Summary Report is used to track those efforts.

Instructions for completing the Section 3 Summary Report can be found at the bottom of the second page. **Section 3 Summary Report should be submitted for ALL projects--- EVEN IF NO SECTION 3 PERSONS WERE HIRED, OR NO SECTION 3 CONTRACTS WERE AWARDED.** Simply provide a brief explanation as to why in the box in Part III of the form.

## **Certificates of Completion**

After all program costs have been paid, the grantee shall submit **three originally signed Certificates of Completion**, if applicable. The Certificate should reflect actual expenditures in each line item activity.

Besides final statement of costs, the Certificate provides for computation of any amount to be deobligated and/or returned to DED, actual local contribution compared to application pledged amount (any discrepancy between these two must be explained fully), disposition of program income, and certification by grantee of responsibility for completion.

Grantee should forward to DED a check in the amount of cash on hand remaining at project close-out, if applicable. An amendment must be executed by the grantee for all funds to be deobligated at close-out. This amendment will become part of the close-out process.

## **Disclosure Report**

All grantees are required to submit a Disclosure Report as part of their application. The purpose of this report is to disclose all persons or parties that have a pecuniary interest in the project. Therefore, as part of the close-out process, each grantee is required to submit an updated Disclosure Report identifying all such parties, including changes that may have occurred during the project.

## **Close-out Monitoring Requirements**

At project completion, the CDBG field representative for the area involved will contact the grant recipient to determine a date for the close-out monitoring visit. All monitoring findings must be resolved before the close-out can be further processed.

## **Close-out Public Hearing**

A public hearing on grant performance is required after a minimum of 80% project completion. A copy of the published notice and minutes of the hearing must be submitted to DED as part of close-out. (See the Citizens Participation Chapter.)

## **The Audit**

When a recipient accepts funds under the CDBG program, it assumes the responsibility of carrying out the requirement that the CDBG program be audited. **The audit must be performed on an annual basis, in compliance with the Single Audit Act, discussed herein, and forwarded to the Federal Audit Clearinghouse** within nine months of the end of the recipient's fiscal year. This applies for every year the grant is open and to every grant until all funds are audited. CDBG will review audits on the Clearinghouse website; it is not necessary to send a copy of the audit to CDBG unless the audit contains findings regarding the CDBG program. In that case, we will request a copy from the grantee.

Audits are not required if the local entity has expended less than \$500,000 in total Federal dollars in its fiscal year (\$300,000 for fiscal years ending December 31, 2003 or earlier) (see discussion on Single

Audit Act). CDBG funds can pay for the cost of auditing CDBG funds only. Since it is impossible to determine audit costs at the time of grant award, or even whether an audit will be required, grant increases can be approved each year once proper procurement has determined amount needed.

Procurement of audit services is subject to the provisions of 24 CFR 85.36 if CDBG funds are used for payment of audits. In this regard, an auditor ordinarily should be selected through competitive negotiation. This reduces the cost of services while allowing all qualified accountants to compete.

One of the best criteria for selecting an auditor is the degree to which the auditor is familiar with municipal accounting and CDBG/DED regulations with specific reference to performing professional, complete, and timely audits within budget.

Reference materials for required audits are: OMB Circular A-87, "Cost Principles for State and Local Governments"; 24CFR 85 as modified by 24 CFR 570, Subpart J, "Grant Administration"; and OMB Circular A-133, "Audits of State and Local Governments."

#### Single Audit Act of 1984, as amended 1996

One of the Single Audit Act's stated purposes is "to establish uniform requirements for audits of Federal assistance provided to state and local governments." The Amendment is **effective for fiscal years beginning after June 30, 1996** and sets thresholds for having a single audit:

1. The Act requires annual audits of entire entity for state and local governments that expend \$500,000 or more of **Federal financial assistance** annually, for all fiscal years ending **after December 31, 2003**. For grantee fiscal years ending December 31, 2003 or earlier, the older threshold of \$300,000 of total Federal expenditures will apply.
2. If the total Federal assistance comes from one program only, then a program audit can be performed. If the assistance comes from more than one Federal program, a Single Audit must be performed.
3. If the amount is less than \$500,000 (or \$300,000, depending on the fiscal year), the entity is exempt from Federally imposed audit requirements, but must keep the necessary records that DED must review for that fiscal year. Contact DED for details.

The definition of **Federal financial assistance** goes beyond grants to include contracts, loans, loan guarantees, property, cooperative agreements, interest subsidies, and insurance. Subrecipients and their auditors should be aware that the Act does not prohibit entities that receive Federal funds indirectly (through a state agency) from having additional audit requirements imposed on them by the agency that provides the funding.

The audits are to be conducted by an independent auditor in accordance with the auditing standards issued by the General Accounting Office of financial and compliance audits.

The audit shall determine and report that:

1. The financial statements are presented fairly in accordance with GAAP, and the entity has complied with laws and regulations that may have a material effect on the financial statements.
2. The entity has internal control systems to provide reasonable assurance that it is managing Federal financial assistance in compliance with applicable laws and regulations.
3. The entity has complied with laws and regulations that may have a material effect upon each major Federal assistance program. In complying with this provision, the auditor shall select and test a representative number of transactions from each major program.

The Act specifically notes that many of the determinations required in a single audit are not guided by hard and fast rules. The Act provides that "the number of transactions selected and tested" for the

purpose described above, "the selection and testing of such transactions, and the determinations required" for those purposes "shall be based on the professional judgement of the independent auditor."

The Act includes a definition of the "internal controls" which appears to go beyond strictly accounting controls. In the Act, internal controls mean "the plan of organization and methods and procedures adopted by management to ensure that:

1. Resource use is consistent with laws, regulations, and policies
2. Resources are safeguarded against waste, loss, and misuse
3. Reliable data is obtained, maintained, and fairly disclosed in reports

Refer to OMB Circular A-133 for more detail regarding this Act.

A copy of all single audits performed under this Act must be submitted to a central clearinghouse, as established by the Office of Management and Budget.

This address is:      Federal Audit Clearinghouse  
                          1201 East 10th Street  
                          Jeffersonville, IN 47132  
                          <http://harvester.census.gov/sac/>

If additional information is desired regarding this central clearinghouse requirement, the city/county should call (301) 763-1551.



## STATE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM CLOSE-OUT REPORT

1. Grantee: \_\_\_\_\_ 2. Project Number: \_\_\_\_\_

3. Address of Grantee: \_\_\_\_\_

4. Persons Completing this Report: \_\_\_\_\_

5. Number of citizen's written comments during grant period: \_\_\_\_\_

If applicable, attach: **(a)** copy of each written citizen comment on the CDBG project performance which was received during the grant period; **(b)** the grantee's assessment of the comment; and **(c)** a description of any action taken or to be taken in response to the comment, as required by Section 104(d) of the Housing and Community Development Act of 1974, as amended, and by 24 CFR 570.

6. The grantee's authorized official representative certifies that:

- a. The data in this Report is true and correct as of the date noted below.
- b. The records described in 24 CFR Part 570 are being maintained and will be made available upon request.
- c. Federal assistance made available under the CDBG program is not being utilized to substantially reduce the amount of local financial support for community development activities below the level of such support prior to the start of the CDBG project being reported here.

7. Typed Name of Authorized Representative: \_\_\_\_\_ Typed Title of Authorized Representative: \_\_\_\_\_

8. Signature of Authorized Representative: \_\_\_\_\_ Date: \_\_\_\_\_



## FORM 2: INCOME DATA FOR PROGRAM BENEFICIARIES

This form provides information on the low- and moderate-income, low-income, and very low-income project beneficiaries. Use the applicable section for this project. Do not report professional services. The totals for the individual percentage groups are **non-cumulative**: Low/Mod includes all beneficiaries between 80% and 50% of county median; Low includes all those between 50% and 30% of county median, and Very Low includes all those at and below 30%. The column for Total LMI includes **all those at or below 80% of county median**.

Grantee: \_\_\_\_\_

Project Number: \_\_\_\_\_

### DIRECT BENEFICIARIES:

Activity #:	Activity Name:	Total Number of Direct Beneficiaries	Please list the number and percentage of direct beneficiaries who are:				
			Total LMI Beneficiaries		Low/Mod Income (80%) 80% - 50%	Low Income (50%) 50% - 30%	Very Low Income (30%) 30% and below
#	%	#	#	#	#	#	#

### DIRECT BENEFICIARY APPLICANTS:

Activity #:	Activity Name:	Total Number of Direct Beneficiaries Applicants	Please list the number and percentage of direct beneficiary applicants who are:				
			Total LMI Beneficiaries		Low/Mod Income (80%) 80% - 50%	Low Income (50%) 50% - 30%	Very Low Income (30%) 30% and below
#	%	#	#	#	#	#	#

### INDIRECT BENEFICIARIES:

Activity #:	Activity Name:	Total Number of Indirect Beneficiaries	Please list the number and percentage of indirect beneficiaries who are:				
			Total LMI Beneficiaries		Low/Mod Income (80%) 80% - 50%	Low Income (50%) 50% - 30%	Very Low Income (30%) 30% and below
#	%	#	#	#	#	#	#

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## FORM 3: POPULATION GROUP DATA FOR DIRECT BENEFICIARIES

This form provides information on the number of persons directly benefiting and the distribution of beneficiaries among various population groups. Use one section per CDBG activity to be reported. The total for Direct Beneficiaries will include all direct beneficiaries, including those of Hispanic ethnicity. The total for Hispanic Direct Beneficiaries will include only those direct beneficiaries of Hispanic ethnicity. If reporting on more than two activities, use additional copies.

Grantee:		Project Number:	
Activity Number:		Activity Number:	
Activity Name:		Activity Name:	
	Total Direct Beneficiaries		Total Direct Beneficiaries
	Hispanic Direct Beneficiaries		Hispanic Direct Beneficiaries
White:			
Black/African American:			
Asian:			
American Indian/Alaskan Native:			
Native Hawaiian/Other Pacific Islander:			
American Indian/Alaskan Native & White:			
Asian & White:			
Black/African American & White:			
Am. Indian/Alaskan Native & Black/African Am.:			
Asian & Native Hawaiian/Other Pacific Islander:			
All Others:			
<b>TOTAL</b>			
Female Head of Household:			
Handicapped (Disabled):			
Elderly:			
<b>TOTAL</b>			
Female Head of Household:			
Handicapped (Disabled):			
Elderly:			



## FORM 4: POPULATION GROUP DATA FOR DIRECT BENEFICIARY APPLICANTS

This form provides information on the number of persons who applied for CDBG Direct Benefit, and the distribution of those applicants among various population groups. Use one section per CDBG activity to be reported. The total for Direct Beneficiary applicants will include **all** direct beneficiary applicants, including those of Hispanic ethnicity. The total for Hispanic Direct Beneficiary applicants will include only those direct beneficiary applicants of Hispanic ethnicity. If reporting on more than two activities, use additional copies.

<b>Grantee:</b>	<b>Project Number:</b>	
<b>Activity Number:</b>	<b>Activity Number:</b>	
<b>Activity Name:</b>	<b>Activity Name:</b>	
	Total Direct Applicants	Hispanic Direct Applicants
White:		
Black/African American:		
Asian:		
American Indian/Alaskan Native:		
Native Hawaiian/Other Pacific Islander:		
American Indian/Alaskan Native & White:		
Asian & White:		
Black/African American & White:		
Am. Indian/Alaskan Native & Black/African Am.:		
Asian & Native Hawaiian/Other Pacific Islander:		
All Others:		
<b>TOTAL</b>		
Female Head of Household:		
Handicapped (Disabled):		
Elderly:		
	<b>Project Number:</b>	
	<b>Activity Number:</b>	
	<b>Activity Name:</b>	
	Total Direct Applicants	Hispanic Direct Applicants
White:		
Black/African American:		
Asian:		
American Indian/Alaskan Native:		
Native Hawaiian/Other Pacific Islander:		
American Indian/Alaskan Native & White:		
Asian & White:		
Black/African American & White:		
Am. Indian/Alaskan Native & Black/African Am.:		
Asian & Native Hawaiian/Other Pacific Islander:		
All Others:		
<b>TOTAL</b>		
Female Head of Household:		
Handicapped (Disabled):		
Elderly:		



## FORM 5: POPULATION GROUP DATA FOR INDIRECT BENEFICIARIES

This form provides information on the number of persons indirectly benefiting and the distribution of beneficiaries among various population groups. Use one section per CDBG activity to be reported. The total for Indirect Beneficiaries will include all indirect beneficiaries, including those of Hispanic ethnicity. The total for Hispanic Indirect Beneficiaries will include only those indirect beneficiaries of Hispanic ethnicity. If reporting on more than two activities, use additional copies.

Grantee:			Project Number:		
Activity Number:			Activity Number:		
Activity Name:			Activity Name:		
	Total Indirect Beneficiaries	Hispanic Indirect Beneficiaries		Total Indirect Beneficiaries	Hispanic Indirect Beneficiaries
White:			White:		
Black/African American:			Black/African American:		
Asian:			Asian:		
American Indian/Alaskan Native:			American Indian/Alaskan Native:		
Native Hawaiian/Other Pacific Islander:			Native Hawaiian/Other Pacific Islander:		
American Indian/Alaskan Native & White:			American Indian/Alaskan Native & White:		
Asian & White:			Asian & White:		
Black/African American & White:			Black/African American & White:		
Am. Indian/Alaskan Native & Black/African Am.:			Am. Indian/Alaskan Native & Black/African Am.:		
Asian & Native Hawaiian/Other Pacific Islander:			Asian & Native Hawaiian/Other Pacific Islander:		
All Others:			All Others:		
<b>TOTAL</b>			<b>TOTAL</b>		
Female Head of Household:			Female Head of Household:		
Handicapped (Disabled):			Handicapped (Disabled):		
Elderly:			Elderly:		



## FORM 6: PROJECT ACCOMPLISHMENTS

In quantitative terms, state the accomplishments achieved by activity line items for this project (e.g., number of houses rehabilitated, number of structures cleared, number of linear feet of water/sewer line installed, number of blocks of streets paved, etc.). If different from original application/funding approval, state reasons below.

1. Grantee: \_\_\_\_\_ 2. Project Number: \_\_\_\_\_

3. Activity Name	4. Activity Number	5. Project Accomplishments

Changes in the original project scope and reasons:



## FORM U: DATA COLLECTION FOR CDBG ACTIVITIES

<b>Applicant:</b>			
<b>Category</b>	<b>Corresponding Activity Data Required</b>		
Community Facility	A		
Downtown Revitalization	C, possibly F(2)		
Microenterprise Program	D, E and/or F		
Other Public Needs:			
Rural Affordable Housing	(see RAH application)		
ADA	A	<b>DATA</b>	
BSD	A	<b>Collected at time of Application</b>	<b>Collected at time of Closeout</b>
Demolition	B		
Water/Sewer (Engineering Plans-Specs)	A		
<b>Activity</b>	<b>Outcome Indicators</b>	<b>PROPOSED</b>	<b>ACTUAL</b>
A. Public facility or infrastructure activities	<b>Number of persons with:</b>		
	a. new access to benefit, or		
	b. improved access to benefit		
B. Demolition Only	<b>Number of demolitions:</b>		
C. Downtown Revitalization (with Demolition)	<b>1. Select One:</b> a) comprehensive, b) commercial, c) housing d) other _____		
	<b>2. Choose at least 3 if comprehensive:</b>		
	a. # of new businesses assisted		
	b. # of businesses retained		
	c. # of jobs created or retained in area		
	d. \$ leveraged		
	e. # of LMI persons		
	f. SB demolition		
	g. # LMI households assisted		
	h. # sq ft of remediated brownfields		
	i. # of HH with improved access		
	j. # of commercial facade/building rehabs		
k. Optional indicators:			
D. Jobs Created	<b>Total number of Jobs:</b>		
	a. Of those, # emp-sponsored healthcare		
	b. type of jobs created		
	c. # of unemployed before taking job		
E. Jobs Retained	<b>Total number of jobs:</b>		
	a. Of those, # emp-sponsored healthcare		
	b. type of jobs created		

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F. Businesses Assisted	<b>1. Total businesses assisted:</b>		
	a. # new businesses		
	b. # existing businesses		
	Of those, # expansions		
	# relocations		
	c. DUNS # of business(es)		
	d. 2-digit NAICS industry class.		
<b>2. Type of Assistance:</b> Working Capital (WC); New Construction (NC); Rehab (R); Machinery/Equipment (ME); Infrastructure (IF)			
<b>3. Does the business help meet needs of community?</b>			

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## FORM ED/1: ECONOMIC DEVELOPMENT CLOSE-OUT

Grantee: \_\_\_\_\_

Project No.: \_\_\_\_\_

Award Date: \_\_\_\_\_

Grant/Loan Amount: \_\_\_\_\_

NAICS: \_\_\_\_\_

DUNS # \_\_\_\_\_

1. Using information from the Funding Approval/Grant Agreement, provide the following data:

A. Company(ies) Involved:

Name	Jobs to be Created/Retained	Existing Employees (at Start of Project)
_____	_____	_____
_____	_____	_____
_____	_____	_____

B. Private Investment Release Date: \_\_\_\_\_

C. Pledged private investment: \_\_\_\_\_

D. Grantee cash match: \_\_\_\_\_

E. Grantee in-kind match: \_\_\_\_\_

2. Status of project to date:

A. Number of pledged jobs actually created/retained: \_\_\_\_\_

B. If pledged job creation/retention goals have not been reached, explain why not.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

C. Breakdown of jobs, job titles (see Employment Data under “Job Titles”) and applicants:

Company	Present Employment	New/ Retained Jobs	Job Titles	Total LMI	Number Low/Mod Income Between 80%-50%	Number Low Income Between 50%-30%	Number Very Low Income 30% and below

	Jobs		Applicants	
	Total Direct Beneficiaries	Hispanic Direct Beneficiaries	Total Direct Beneficiaries	Hispanic Direct Beneficiaries
White:				
Black/African American:				
Asian:				
American Indian/Alaskan Native:				
Native Hawaiian/Other Pacific Islander:				
American Indian/Alaskan Native & White:				
Asian & White:				
Black/African American & White:				
Am. Indian/Alaskan Native & Black/African Am.:				
Asian & Native Hawaiian/Other Pacific Islander:				
All Others:				
<b>TOTAL</b>				
Female Head of Household:				
Handicapped (Disabled):				
Elderly:				
Immediate Prior Unemployment				

- D. Amount of private investment documented: \_\_\_\_\_

E. Amount of grantee cash match documented: \_\_\_\_\_

F. Amount of grantee in-kind match documented: \_\_\_\_\_

### 3. Program Income (Loan Only)

- A. Terms of loan: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
no. of years                      interest rate                      no. of installments

B. Payable: \_\_\_\_\_ / First Installment Due: \_\_\_\_\_  
monthly, semi-annually, annually                      date

C. Option exercised by grantee regarding program income at time of funding (check one):  
 1) Return all program income to State  
 2) Return principal to State; retain interest  
 3) Retain all program income

D. Repayments made to date: \_\_\_\_\_ + \_\_\_\_\_ = \_\_\_\_\_  
                                    principal                      interest                      total

E. Amount on hand (not spent): \_\_\_\_\_

F. Name of contact person regarding program income:

Name: \_\_\_\_\_

Agency: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

---

Name of Grantee's Chief Elected Official

---

Signature of Grantee's Chief Elected  
Official

---

Date

---

Name of Company's Chief Executive  
Officer

---

Signature of Company's Chief Executive  
Officer

---

Date

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## Section 3 Summary Report

Economic Opportunities for Low—and Very Low-Income Persons

1. Grantee Name & Address: (street, city, state, zip)	2. Grant Number		3. Total Amount of CDBG Award:		
	4. Contact Person Name		5. Contact Person Phone		
	6. Grant Award Date:		7. Date Report submitted		
<b>Part I: Employment and Training</b> (** Columns B, C and F are mandatory fields. <b>Include New Hires in E &amp;F)</b>					
A Job Category	B Number of New Hires	C Number of New Hires that are Sec. 3 Residents	D % Aggregate Number of Staff Hours of New Hires that are Sec. 3 Residents	E % of Total Staff Hours for Section 3 Employees and Trainees	F. Number of Section 3 Trainees
Professionals					
Technicians					
Office/Clerical					
Construction by Trade (List)					
Trade					
Other (List)					
Total					

<b>Part II: Contracts Awarded</b>		
1. Construction Contracts:		
A. Total dollar amount of contracts awarded (CDBG funds only)		\$
B. Total dollar amount of contracts awarded to section 3 businesses (CDBG funds only)		\$
C. Percentage of the total CDBG Contract dollar amount that was awarded to Section 3 businesses (B divided by A)		%
D. Total number of section 3 businesses receiving CDBG contracts/monies		
2. Non Construction Contracts		
A. Total dollar amount of non-construction contracts awarded (CDBG funds only)		\$
B. Total dollar amount of non-construction contracts awarded to section 3 businesses (CDBG funds only)		\$
C. Percentage of the total CDBG non-construction contract dollar amount that was awarded to Section 3 businesses		%
D. Total number of section 3 businesses receiving CDBG non-construction contracts		

**Part III: Summary of Efforts**

If no Section 3 persons were hired, or no Section 3 contracts were awarded, please provide a brief explanation as to why.

**Instructions for Completing Form:**

1. Enter the name and address of the CDBG Grantee
2. Grant Number
3. Enter the dollar amount of the grant **CDBG FUNDS ONLY**
4. Name of person completing form
5. Contact information for person completing form.
6. Date Grant Awarded
7. Date this report was submitted

**Part I: Employment and Training opportunities**

- **Column A:** Contains various job categories. Professionals are defined as people who have special knowledge of an occupation such as architects, grant administrators, engineers, etc. For construction positions, list each trade and provide data in columns B through F for each trade where persons were employed. The category of "Other" includes occupations such as service workers
- **Column B: (Mandatory Field)** Enter the number of new hires for each category of workers identified in Column A in connection with this grant award. "New hires" refers to a person who is not on either the recipient's or the contractor's payroll at the time the grant was awarded.
- **Column C: (Mandatory Field)** Enter the number of Section 3 new hires for each category of workers identified in Column A in connection with this grant award. "Section 3 New hires" refers to a Section 3 resident who is not on either the recipient's or the contractor's payroll at the time the grant was awarded.
- **Column D:** Enter the percentage of Section 3 New Hire staff hours spent on this grant  
(Section 3 New Hire Hours ÷ Total New Hire Hours)
- **Column E:** Enter the percentage of the total staff hours worked by Section 3 employees and trainees on this grant—including new hires. Also include staff hours for full time and part time employees.  
(Section 3 Employee Hours ÷ Total Employee Hours)
- **Column F: (Mandatory Field)** Enter the number of Section 3 residents that were trained in connection with this grant.

**Part II: Contract Opportunities**

**Block I: Construction Contracts**

- Item A:** Enter the total dollar amount of contracts awarded on the grant (CDBG dollars only).
- Item B:** Enter the dollar amount of Section 3 contracts awarded on the grant (CDBG dollars only).
- Item C:** Enter the percentage of Section 3 contracts awarded on the grant (CDBG dollars only).  
Section 3 contract dollars ÷ Total contract dollars.
- Item D:** Enter the number of Section 3 businesses receiving contract awards in association with this grant.

**Block II: Non-Construction Contracts**

- Item A:** Enter the total dollar amount of contracts awarded on the grant (CDBG dollars only).
- Item B:** Enter the dollar amount of Section 3 contracts awarded on the grant (CDBG dollars only).
- Item C:** Enter the percentage of Section 3 contracts awarded on the grant (CDBG dollars only).  
Section 3 contract dollars ÷ Total contract dollars.
- Item D:** Enter the number of Section 3 businesses receiving contract awards in association with this grant.

**Part III: Summary of Efforts—Self Explanatory.**

## INSTRUCTIONS FOR COMPLETING CERTIFICATE OF COMPLETION

### Section A

Enter recipient name and address as shown on the Small Cities Close-out Report Cover Sheet

### Section B

Enter the project number assigned on the Funding Approval

### Section C

Final Statement of Program Costs: in Section C, complete columns (a) through (d) as follows:

Column (a) Program Activities: Use line C1 through C8 to list the program activities for which the project funds were budgeted. The program activities should reflect those activities documented in the Funding Approval and/or any executed amendments thereto. (**Activity numbers should be included for each item.**)

Column (b) Program Cost Paid: For each of the program activities listed in column (a), enter the amount of State funds that have been paid. The amount recorded in column (b) should pertain to State funds only. Use line C9 to record the total of paid costs, line C10 to record program income that will be applied to paid costs, and line C11 to record the difference between lines C9 and C10.

Column (c) Program Costs Unpaid: For each of the program activities listed in column (a), enter the amount of State funds that are unpaid. The amounts recorded in column (c) should pertain to State funds only. Use line C9 to record the total of unpaid costs, line C10 to record program income that will be applied to unpaid costs, and line C11 to record the difference between lines C9 and C10.

Column (d) Total (column b & c): Use column (d) to document the total program costs (paid and unpaid) for each contract program activity. Total program cost (line C9), program income applied to the program costs (line C10), and the grant amount applied to program (C11) should agree with audited amounts, if any.

### Column (e) For State Use Only

### Section D

Status of Funds: Complete only column (b) of Section D

Line D1: Same amount as Section C, column (b), line C11

Line D2: Same amount as Section C, column (c), line C11

Line D3: Same amount as Section C, column (d), line C11

Line D4: Total grant award per Funding Approval

Line D5: Unused grant amount to be cancelled, line D4 minus D3

Line D6: Community Development Block Grant funds received to date

Line D7: Balance of grant funds, line D3 minus D6. If line D6 exceeds D3, then line D7 should be a negative amount. If negative amount, it must be immediately returned to the State.

### Section E

Certification of Recipient: Type name and title of the recipient's authorized official in the space provided. The grantee's authorized official must sign and date the document in the space provided.

## **Section F**

**Local Contribution:** State the local match dollar amount pledged (as indicated on the grant application and/or grant agreement) and the **actual** local match documented.

## **Section G**

**Program Income Generated:** Total program income received during the life of the project should be documented on the space provided. If program income was generated, the source and disposition should be clearly documented in essay format. If there is not program income, indicate with a zero in the appropriate space. Program income should agree with the amount documented in Section C, column (d), line C10.

## **Section H**

**Unpaid Costs:** Describe in detail, dollar amounts, dates amounts are to be paid, and persons/companies owed. Same as Section C, column (c), line C11 and Section D, column (b), line D2.

## **Section I**

Preparer's name, address, and telephone

## **Section J**

**Basis of Close-out:** To be completed by State

## **Section K**

**State Execution:** To be completed by State



## CERTIFICATE OF COMPLETION

<b>A. Name of Recipient:</b>		<b>B. Project Number:</b>		
Address (City, State, Zip):				
<b>C. Final Statement of Program Costs:</b>				
<b>TO BE COMPLETED BY GRANTEE</b>				<b>FOR STATE USE ONLY</b>
Program Activities (Taken from Funding Approval/ Grant Agreement) (a)		Program Costs Paid (b)	Program Costs Unpaid (c)	Total (Column b + c) (d)
C1 Administration				
C2 Audit				
C3				
C4				
C5				
C6				
C7				
C8				
C9 Total Program Cost (lines C1 – C8)				
C10 Less: Prgm Income applied to program costs				
C11 Equals: Grant Amt applied to program costs				
<b>D. Status of Funds:</b>				
Description (a)			To Be completed by Grantee	<b>FOR STATE USE ONLY</b>
			Amount (b)	Approved Costs (c)
D1 Grant Award Applied to Program Costs (from line C11, column (b))				
D2 Unpaid Program Costs (from line C11, column (c))				
D3 Subtotal (from line C11, column (d))				
D4 Award per Funding Approval/Grant Agreement				
D5 Unused Grant to be <b>CANCELLED</b> (line D4 minus D3)				
D6 Grant Funds Received to Date				
D7 Balance of Grant Payable (line D3 minus D6)*				
*If line D6 exceeds line D3, enter the amount of excess on line D7 as a <b>negative</b> number. This amount shall be repaid immediately, by check, to the state.				
<b>E. Certification of Grantee:</b>				
<p>It is hereby certified that all activities undertaken by the Grantee with funds provided under the grant agreement in the heading above, have, to the best of my knowledge, been carried out in accordance with the grant agreement; that the proper provision has been made by the Grantee for the payment of all unpaid costs and unsettled third-party claims identified above; that the State of Missouri is under no obligation to make any further payment to the Grantee under the grant agreement in excess of the amount identified on line D7 hereof, and that every statement and amount set forth in this document is, to the best of my knowledge, true and correct as of this date.</p>				
Date	Typed Name and Title		Signature of Authorized Official	

<b>F. Local Contribution:</b>	Per Funding Approval/Grant Agreement	\$ _____
	Actual Total Match	\$ _____
<b>G. Program Income Generated:</b> (see line C10)	Amount of Program Income	\$ _____
	Source of Program Income?	
	Disposition of Program Income?	
<b>H. Document here any unpaid costs/unsettled third-party claims noted at D2. Describe circumstances and dollar amounts involved:</b>		
<b>I. Person who can best answer questions about this report (preparer):</b>		
Name: _____	Telephone: _____	
Address: _____	City: _____	
State: _____	Zip Code: _____	
<b>J. Basis of Close-out (to be completed by State)</b>		
<input type="checkbox"/> Regular Close-out: All conditions of the grant have been met. <input type="checkbox"/> Administrative Close-out: All conditions have been met except for the following audit(s): <hr/> (Any costs disallowed by audit(s) of these funds shall be returned to the State, if sustained by DED.)		
<b>K. State Execution:</b>		
This Certificate of Completion is hereby approved on conditions stated in J. above. Unused committed contract funds have been deobligated in the amount of \$ _____ on _____, Amendment No. _____.		
Department of Economic Development CDBG Program		
By: _____		
Date: _____		

## INSTRUCTIONS FOR COMPLETING DISCLOSURE REPORT

**All applicants for CDBG funding must complete and submit, with their applications, Part I and II of the Disclosure Report. At the completion of Part II of the report, some applicants will find that they must complete Parts III, IV, V, and VI of the Report.**

**Part I** requires the applicant's name, address, phone, and Federal Identification number; indication as to whether this is an initial report or an update (all applicants will check the initial report box); the fiscal year CDBG funds subject to the disclosure; check as to whether the disclosure is related to a non-competitive application; the amount of CDBG funds being requested; the amount of any CDBG program income that will be used with the CDBG funding, if any; and the total amount (funding requested and program income).

**Part II** asks two questions. If the answer to both questions is "no," the applicant must complete the certification at the end of Part II, but is not required to complete the remainder of the report. If the answer to either question is "yes," then the applicant must complete the remainder of the report.

**Part III** requires information on any other Federal, State, and/or local assistance that is to be used in conjunction with the CDBG project (See Attachment A).

**Part IV** requires the identification of interested parties. Interested parties are persons and entities with a pecuniary interest in the project. If any **entity** is being disclosed, the disclosure in Part IV must include an identification of each principal of the entity. All consultants, developers, or contractors involved in the application for CDBG assistance, or in the planning, development, or implementation of the project, must be identified as an interested party. Also, any other person or entity that has a pecuniary interest in the project that exceeds \$50,000 or 10 percent of the CDBG assistance, whichever is lower, must be listed as an interested party. Pecuniary interest means any financial involvement in the project, including (but not limited to) situations in which a person or entity has an equity interest in the project; shares in any profit, resale, or any distribution of surplus cash or other assets of the project; or receives compensation for any goods or services provided in connection with the project. (Local CDBG administrative staff and recipients of housing rehab assistance are not considered interested parties.)

It is realized that at the time of application, applicants may not be aware of all interested parties since contracts and agreements for goods and services are not generally awarded until after notice of grant award. Subsequent to grant award, as projects are being implemented, funds will be committed to interested parties which will necessitate the submission of an updated Disclosure Report. However, if an applicant for CDBG funds identifies, under Part III of the Disclosure Report, other governmental assistance that is to be used in conjunction with projects funded with CDBG funds, and, if these other funds have been committed to interested parties, then these interested parties must be identified in Part IV of the initial report.

**Part V** requires applicants to identify the sources and use of all funds to be used in conjunction with CDBG funded project. The sources and uses must include all the other assistance identified in Part III, as well as the CDBG funds identified in Part I, items 10 and 11.

**Part VI** requires the certification of the Chief Elected Official.

## **ATTACHMENT A**

This attachment contains a list of all the HUD programs that are subject to the disclosure requirements of 24 CFR Part 12 Subpart C. All applicants for CDBG assistance must review this list to determine if they are receiving, or expect to receive, assistance from other covered programs besides CDBG. Applicants must consider HUD funds that are received either directly from HUD or though the State. The State administered CDBG Program is listed under 3(e).

The applicant uses the total amount of funds received from all the sources to answer the second question of Part II of the Disclosure Report.

1. Section 312 Rehabilitation Loans under 24 CFR Part 510, except loans for single family properties
2. Home Investment Partnership Act Funds Under 24 CFR Part 92
  - (Excludes formula distributions to States, units of general local government, or consortium of units of general local government under Subpart D and G, within-year reallocations under Subpart D, and the HUD-administered Small Cities program under Subpart F.)
3. Applications for grant amounts for a specific project or activity under Title I of the Housing and Community Development Act of 1974 made to:
  - a. HUD, for a Special Purpose Grant under Section 105 of the Department of Housing and Urban Development Reform Act of 1989, for technical assistance, the Work Study program, or Historically Black Colleges
  - b. HUD, for a loan guarantee under 24 CFR Part 470, Subpart M
  - c. HUD, for a grant to an Indian tribe under Title I of the Housing and Community Development Act of 1974
  - d. HUD, for a grant under the HUD-administered Small Cities program under CFR Part 570, Subpart F
  - e. A State or unit of general local government under 24 CFR Part 570
4. Applicants for grant amounts for a specific project or activity under the Emergency Shelter Grant program under 24 CFR Part 576 made to a State or to a unit of general local government, including a Territory.
  - (Excludes formula distributions to States and units of general local government (including Territories); reallocations to States, units of general local government (including Territories), and non-profit organizations; and applications to an entity other than HUD or a State or unit of general local government.)
5. Transitional Housing under 24 CFR Part 577
6. Permanent Housing for Handicapped Homeless Persons under 24 CFR Part 578
7. Section 8 Housing Assistance Payments (only project-based housing under the Existing Housing and Moderate Rehabilitation programs under 24 CFR Part 882, including the Moderate Rehabilitation program for Single Room Occupancy Dwellings for the Homeless under Subpart H)
8. Section 8 Housing Assistance Payments for Housing the Elderly or Handicapped under 24 CFR Part 885
9. Loans for Housing for the Elderly or Handicapped under Section 202 of the Housing Act of 1959 (including operating assistance for Housing for the Handicapped under Section 162 of the Housing and Community Development Act of 1987, and Seed Money Loans under Section 106(b) of the Housing and Urban Development Act of 1968)

10. Section 8 Housing Assistance Payments, Special Allocations, Assistance under 24 CFR Part 886
11. Flexible Subsidy under 24 CFR Part 219, both Operating Assistance under Subpart B and Capital Improvement Loans under Subpart C
12. Low-Rent Housing Opportunities under 24 CFR Part 904
13. Indian Housing under 24 CFR Part 905
14. Public Housing Development under 24 CFR Part 941
15. Comprehensive Improvement Assistance under 24 CFR Part 968
16. Resident Management under 24 CFR Part 964, Subpart C
17. Neighborhood Development Demonstration under Section 123 of the Housing and Urban-Rural Recovery Act of 1983
18. Nehemiah Grants under 24 CFR Part 280
19. Research and Technology Grants under Title V of the Housing and Urban Development Act of 1970
20. Congregate Services under the Congregate Housing Services Act of 1978
21. Counseling under Section 106 of the Housing and Urban Development Act of 1968
22. Fair Housing Initiative under 24 CFR Part 125
23. Public Housing Drug Elimination Grants under Section 5129 of the Anti-Drug Abuse Act of 1988
24. Fair Housing Assistance under 24 CFR Part 111
25. Public Housing Early Childhood Development Grants under Section 222 of the Housing and Urban-Rural Recovery Act of 1983
26. Mortgage Insurance under 24 CFR Subtitle B, Chapter II (only multifamily and non-residential)
27. Supplemental Assistance for Facilities to Assist the Homeless under 24 CFR Part 579
28. Shelter Plus Care Assistance under Section 837 of the Cranston-Gonzales National Affordable Housing Act
29. Planning and Implementation Grants for HOPE and Public and Indian Housing Homeownership under Title IV, Subtitle A, of the Cranston-Gonzales National Affordable Housing Act
30. Planning and Implementation Grants for HOPE for Homeownership of Multifamily Units under Title IV, Subtitle B, of the Cranston-Gonzales National Affordable Housing Act
31. HOPE for Elderly Independence Demonstration under Section 803 of the Cranston-Gonzales National Affordable Housing Act



## APPLICANT DISCLOSURE REPORT (PAGE 1 OF 3)

### PART I – APPLICANT/GRAANTEE INFORMATION

1. APPLICANT/GRAANTEE NAME:
2. ADDRESS:
3. CITY/STATE/ZIP:
4. FEDERAL EMPLOYEE IDENTIFICATION NUMBER:
5. PHONE:
6. INDICATE WHETHER THIS IS AN:  INITIAL REPORT  UPDATED REPORT
7. PROJECT ASSISTED/TO BE ASSISTED – FISCAL YEAR:
8. TYPE OF PROJECT:
9.  COMPETITIVE GRANT  NON-COMPETITIVE GRANT/LOAN
10. AMOUNT REQUESTED/RECEIVED:
11. PROGRAM INCOME TO BE USED WITH ITEM 10 ABOVE:
12. TOTAL OF ITEMS 10 AND 11:

### PART II – THRESHOLD DETERMINATION

1. IS THE AMOUNT LISTED IN ITEM 12 ABOVE MORE THAN \$200,000?  YES  NO
2. HAVE YOU RECEIVED OR APPLIED FOR OTHER HUD ASSISTANCE (THROUGH PROGRAMS LISTED IN ATTACHMENT A OF THE INSTRUCTIONS) WHICH, WHEN ADDED TO ITEM 12 (PART 1), IS MORE THAN \$200,000?  
 YES  NO

IF THE ANSWER TO **EITHER** 1 OR 2 OF PART II IS “YES,” THEN THE REMAINDER OF THIS REPORT MUST BE COMPLETED.

IF THE ANSWER TO **BOTH** 1 AND 2 OF PART II IS “NO,” THEN THE REMAINDER OF THIS REPORT IS **NOT** REQUIRED TO BE COMPLETED, BUT THE FOLLOWING CERTIFICATION MUST BE EXECUTED.

I HEREBY CERTIFY THAT THE ABOVE INFORMATION IS TRUE AND CORRECT.

TYPED NAME (CHIEF ELECTED OFFICIAL):

SIGNATURE, CHIEF ELECTED OFFICIAL:

DATE:

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## APPLICANT DISCLOSURE REPORT (PAGE 2 OF 3)

### PART III – OTHER GOVERNMENT ASSISTANCE PROVIDED/APPLIED FOR

PROVIDE THE REQUESTED GOVERNMENT ASSISTANCE, EXISTING OR APPLIED FOR, THAT WILL BE USED IN CONJUNCTION WITH THE CDBG FUNDING (INCLUDING THOSE LISTED IN ATTACHMENT A).

NAME AND ADDRESS OF AGENCY PROVIDING OR TO PROVIDE ASSISTANCE	PROGRAM	TYPE OF ASSISTANCE	AMOUNT REQUESTED OR PROVIDED

### PART IV – INTERESTED PARTIES

ALPHABETICAL LIST OF ALL PERSONS WITH A REPORTABLE FINANCIAL INTEREST IN THE PROJECT	SOCIAL SECURITY NUMBER OR EMPLOYER ID NUMBER	TYPE OF PARTICIPATION IN THE PROJECT	FINANCIAL INTEREST IN PROJECT DOLLARS AND PERCENT



## **APPLICANT DISCLOSURE REPORT (PAGE 3 OF 3)**

## **PART V – EXPECTED SOURCES AND USES OF FUNDS**

IDENTIFY THE SOURCES AND USES OF ALL ASSISTANCE, INCLUDING CDBG, THAT HAVE BEEN OR MAY BE USED FOR THIS PROJECT.

## PART VI - CERTIFICATION

I HEREBY CERTIFY THAT THE INFORMATION PROVIDED IN THIS DISCLOSURE IS TRUE AND CORRECT, AND I AM AWARE THAT ANY FALSE INFORMATION OR LACK OF INFORMATION KNOWINGLY MADE OR OMITTED MAY SUBJECT ME TO CIVIL OR CRIMINAL PENALTIES UNDER SECTION 1001 OF TITLE 18 OF THE UNITED STATES CODE. IN ADDITION, I AM AWARE THAT IF I KNOWINGLY AND MATERIALLY VIOLATE ANY REQUIRED DISCLOSURE OF INFORMATION, INCLUDING INTENTIONAL NONDISCLOSURE, I AM SUBJECT TO A CIVIL PENALY NOT TO EXCEED \$10,000 FOR EACH VIOLATION.

TYPED NAME (CHIEF ELECTED OFFICIAL):

**SIGNATURE:**

DATE:

## ELIGIBLE ACTIVITIES

- 1. Property Acquisition
- 2. Property Disposition
- 3. Property Clearance/Demolition
- 4. Architectural Barrier Removal
- 5. Senior Center
- 6. Community Facilities
- 7. Centers for the Handicapped
- 8. Historic Properties
- 9. Water Treatment
- 10. Sanitary Sewer Collection
- 11. Storm Sewers
- 12. Flood and Drainage Facilities
- 13. Streets (or Roads)
- 14. Street Accessories
- 15. Parking Facilities
- 16. Bridges
- 17. Sidewalks
- 18. Pedestrian Malls
- 19. Recycling or Conversion Facilities
- 20. Parks and Recreation Facilities
- 21. Fire Protection/Facility Equipment
- 22. Solid Waste Disposal Facilities
- 23. Other Utilities
- 24. Public Service/Supportive Services
- 25. Rehabilitation of Private Residential Properties
- 26. Rehabilitation of Public Residential Properties
- 27. Payments for Loss of Rental Income
- 28. Relocation
- 29. Code Enforcement
- 30. Energy Use Strategy
- 31. Non-Federal Share Payment
- 32. Interim Assistance
- 33. Planning
- 34. Commercial or Industrial Facilities
- 35. Administration
- 36. Engineering/Design
- 37. Housing Rehab/Demo Inspection
- 38. Engineering/Construction Inspection
- 40. Audit
- 41. Port Facility
- 42. Airports
- 43. Natural Gas Lines
- 44. Electrical Distribution Lines
- 45. Rail Spurs
- 46. Lighting
- 47. Other Professional Services
- 48. Security Fencing
- 49. Site Preparation
- 50. Purchase Land/Building
- 51. Facility Construction Renovation
- 52. Machinery/Equipment
- 53. Working Capital
- 54. Sewage Treatment
- 55. LDC Homeownership Assistance – up to \$15,000 to purchase a new home
- 56. Legal
- 57. 911 Emergency Systems
- 60. Homeowners Assistance- up to \$5,000 to purchase an existing DSS home
- 61. Lead-Based Paint Risk Assessment
- 62. Asbestos Removal
- 63. Job Training\*
- 64. Home-Ownership Counseling
- 65. Substantial Reconstruction of the reconstruction of private residential properties on same lot- up to \$15,000
- 66. Water Distribution
- 67. Lead Reduction NOT incidental to Rehab
- 68. Asbestos Inspection

\*Job training activities must be: 1) approved by Job Development and Training or the Private Industry Council, and 2) exist as an element of a welfare to work initiative as it relates to an ED project.

**\*\*CLOSE-OUT HELPFUL HINTS\*\***

- ❖ There is no such thing as an interim close-out with CDBG.
- ❖ All numbers and percentages reported for beneficiaries should add up, when appropriate.
- ❖ All dollar values reported at close-out should add up to reflect expenditures or returned funds.
- ❖ Complete the Disclosure Report in full and submit with the close-out packet.
- ❖ Include a copy of the engineer's certification of work completed with the close-out packet.
- ❖ Respond to and resolve all comments made at close-out public hearing.
- ❖ LMI Totals are CUMULATIVE.

## **CHAPTER XII**

### **ECONOMIC DEVELOPMENT**

Economic Development grants are offered when job creation or retention is at stake and when the company(s) is clearly creating the need and the beneficiaries of the project. If the project benefits a majority of residents in the community, it is not a CDBG Economic Development project, but should be applied for through regular CDBG funded activities.

CDBG Economic Development (Infrastructure Grant, Action Fund Loan, Downtown Revitalization, Loan Guarantee, Interim Financing, or Microenterprise) projects have unique requirements of administration, which are in addition to the procedures for other CDBG projects. Since the project requirements often include counting jobs and private investment and since a third party exists in the form of a private company, a project transition meeting is essential. The following items shall be discussed in a **transition meeting** held at the time of funding commitment. The transition meeting must be attended by representatives from the company, the grantee, and the state.

### **DOCUMENT THE NATIONAL OBJECTIVE**

Economic Development projects may be funded based upon job creation (most often used) or job retention. A grantee providing assistance to a business must assure the documentation **of low-and moderate-income (LMI)** job creation/retention. The grantee must undertake all front-end reviews and safeguards before assisting a business with CDBG funds. These steps may include:

1. Obtaining a list of prospective permanent jobs and their full-time equivalents, proposed for creation by the company, with a breakdown of those positions which involve the employment of LMI persons
2. Identifying those positions that can only be filled by persons with substantial training, work experience, or education beyond high school and whether or not the business will agree to hire, and train as necessary, LMI persons for these jobs
3. Including in loan agreements specific LMI job requirements and the standards for compliance, reporting, and recordkeeping

The Missouri CDBG program requires that at least 51% of all jobs created or retained shall be held by LMI persons. Documentation of LMI status is achieved through the completion of an Employee Status Statement.

### **CREATION OF JOBS FOR LMI PERSONS**

The creation of jobs qualifies for CDBG funding when the following conditions are met. These conditions include, but are not limited to:

1. The job is full time (or a number of part time jobs add up to a full time equivalent)
2. The job is permanent, not temporary
3. The job is located at the same facility where the project is occurring
4. The jobs are not new jobs (i.e., retained jobs). This requires new jobs above the current level of employment, which are documented at the time of the award.
5. The Employee Status Statement and a current payroll listing are available
6. The jobs are created after the date recorded in the agreement
7. The Alien Employment restrictions have been met

8. The total jobs equal the amount pledged and at least 51% are adequately documented as LMI  
The Participation Agreement and contract forms may require additional conditions for job creation.

## **RETENTION OF JOBS FOR LMI PERSONS**

The number of jobs considered to be retention jobs, as involving the employment of LMI persons, shall be limited to the total of:

1. Those jobs **known to be held** by LMI persons at the time assistance is provided
2. Any other jobs **that can reasonably be expected to become available through turnover** to low- and moderate-income persons in a period of two years thereafter

Clearly, retaining a job already held by an LMI person would qualify that job as benefiting an LMI person. To determine whether the person already employed is LMI, use the person's family income at the time the CDBG assistance is provided.

Accordingly, if a CDBG-assisted business can demonstrate that at least 51% of the jobs retained are held by LMI persons, the activity would qualify as meeting the national objective.

## **PERMANENT JOBS**

Only permanent jobs may be considered in determining benefit for LMI persons; **temporary jobs**, such as construction jobs, may not be counted. **Permanent, part-time jobs** may be considered, but would have to be converted to a full time equivalent for purposes of calculating the 51% benefit. This applies regardless of when the project was funded by the state.

## **ADDITIONAL REPORTING**

The racial/ethnic characteristics of all job applicants must be tracked. This information may be tracked by the company or an outside organization, such as the local Job Service. The applicant information must be tracked from the time of the funding commitment (or other agreed-upon date) until project close-out. Contact the CDBG staff for questions regarding the applicability with confidentiality and civil rights laws.

## **LMI**

**A person may be presumed to be LMI in either of the following cases:**

1. The employee resides in, or the assisted business through which he is employed is located in, a census tract that is part of a Federally-designated Empowerment Zone or Enterprise Community or meets the following criteria:
  - a. Has a poverty rate of at least 20% according to the most recent census data
  - b. Does not include any portion of the CBD (Central Business District) unless the tract has a poverty rate of at least 30%
  - c. There is evidence of pervasive poverty and general distress by meeting at least one of the following:
    - i. All block groups within the tract have poverty rates of at least 20%
    - ii. The specific activity is located in a block group with a poverty rate of at least 20%
    - iii. Upon written request, HUD determines that the census tract exhibits other signs of distress such as high crime, drug use, homelessness, abandoned housing, deteriorated infrastructure, or substantial population decline
2. The employee resides in a census tract where not less than 70% of the residents are LMI persons

**On infrastructure grants, the national objective requirement shall be met as follows:**

1. Before assistance is provided, the local government must identify the businesses located or expected to be located in the area to be served by the public improvement. Each business must project the number of jobs expected to be created as a result of the improvement.
2. The jobs to be considered are all those in the assessment as well as any other businesses that are located in the area within a period of one year following the completion of the public improvement. If the original businesses' jobs do not exceed \$10,000/job, the additional businesses do not have to be tracked, and close-out can be done as soon as original jobs are in place.

**The grantee is responsible for obtaining all documentation of jobs created and LMI benefit.** At the application stage, the company/industry agrees to provide this information to the grantee. Failure to do so could result in grantee ineligibility for future funding or return of moneys to DED.

### **PRIVATE INVESTMENT COMMITMENT**

The grantee is also responsible for obtaining documentation of the private investment from the business(es) (in the form of paid invoices, canceled checks, or audited financial statements) according to the application and/or grant agreement for the project. This should be done from the beginning of the grant until the private investment is accomplished.

### **CITIZEN PARTICIPATION**

One public hearing must be held at least 5 days prior to the submission date of the ED application and must address the proposed project and community needs. A second public hearing must be held prior to project close-out to discuss grant performance. (See the Citizen Participation Chapter.)

### **LABOR STANDARDS**

Federal and State wage rate regulations will likely apply to the project. This determination should be made at the beginning of the project or at application stage in order to avoid non-compliance delays. See the Labor Standards Chapter or contact the CDBG Labor Specialist.

### **PROCUREMENT**

**Private companies that are loaned CDBG funds are not bound to procurement requirements of PL 103-355**, which are applicable only to public entities. In the case of a speculative building loan to a local Industrial Development Authority (IDA) or similar organization, that entity must demonstrate compliance with the procurement requirements established by that organization. However, if the grantee conducts the procurement process on behalf of the IDA, the requirements of PL 103-355 shall apply. (See the Procurement Chapter.) In the case of a **grant** to a public entity, competitive procurement requirements are triggered and will be monitored.

### **CONFLICT-OF-INTEREST POLICY**

This policy is applicable to all CDBG programs and is included for reference in this manual. (See the Project Administration Chapter.)

### **ENVIRONMENTAL REVIEW**

The environmental review procedure is the same as with the other project types and is covered in the Environmental Review Chapter of this manual. The review must cover the **entire** economic development project, including **both the private and public funded activities**. Contact the CDBG Environmental Review Specialist for further questions.

## CIVIL RIGHTS

All economic development grantees must comply with basic civil rights requirements of the program, including the furthering of fair housing, procurement of MBE and WBE firms, certifications and information in contracting documents, and gathering of direct and indirect beneficiary data, including applicants for jobs created.

## RFF DOCUMENTATION

All loan (Action Fund, Float, Speculative Building, Loan Guarantee) grantees are required to submit invoices for all requests for CDBG funds.

## CLOSE-OUT

Additional information is required to close-out an economic development project. (See the Close-out Chapter.)

## PROGRAM INCOME

The grantee should have a mechanism in place which tracks the receipt and disbursement of program income (loan repayment). Reporting of program income is required twice annually, January 15 and July 15, until fulfillment of terms of policy or formal release from DED. All program income, beginning with FY93 money, carries all original requirements of the CDBG regulations, no matter how many times it is reused. The grantee is responsible for assuring compliance and will be monitored for same. Contact the CDBG Financial Analyst for additional information.

## TIMING OF JOBS

Normally, jobs created through the economic development program are counted toward meeting the national objective if they are in place at the time of grant close-out. However, **if documentation can be provided** of economic downturn causing job loss prior to close-out, those lost jobs will be considered toward the national objective. Turnover of a new job cannot be counted as more than one job prior to close-out; the individual in place at the time of close-out shall be the one counted.

It is important to note that all of the above items unique to economic development projects will be addressed during monitoring visits.

## DOCUMENTATION FOR JOBS FOR LMI PERSONS

At time of Application Submission:	1. List of prospective permanent jobs, by when and basis for estimate.
	2. For infrastructure grants, a list of all businesses located or expected to be located in the area to be served by the public improvement. (Each business must project the number of prospective jobs.)
	3. List of LMI jobs, by when and percent of total.
	4. Number of proposed jobs to be created: a. Taken by (held by) and why reasonable.
	5. Documentation of retained jobs, held by LMI.
	6. For retained jobs, evidence the jobs would be lost without the assistance.
At Monitoring & Final Report	1. Total number of jobs created (Employment Summary Sheet, backed by current company listing of employees, including date of hire).
	2. Number of LMI jobs.
	3. Data for LMI hired (Employment Status Statements).
	4. List of all job applicants since grant inception and the racial/ethnic background of each.

**EVEN THOUGH THESE FORMS ARE VOLUNTARY, IT SHOULD BE NOTED THAT ALL JOBS CREATED AS A RESULT OF THIS PROJECT MUST BE DOCUMENTED TO BENEFIT 51% LMI PERSONS. MAKING THESE FORMS A PART OF THE JOB APPLICATION PROCESS WILL AID IN THE REQUIRED DOCUMENTATION.**

## **INSTRUCTIONS FOR COMPLETING EMPLOYMENT FORMS**

**1. Employment Status Statement:**

Refer to the listing of family income ranges for the applicable county or Metropolitan Statistical Area (MSA) and enter in the spaces provided (see example).

**2. Employment Summary Sheet:**

Use same family income ranges as used on Employment Status Statement for the appropriate county. Please note that employees who do not complete the form are considered **non-LMI** and must be figured in the LMI percentage benefit (see example).

**3. Applicant Summary Sheet:**

This form became effective with FY93 funds and, as stated, requires the racial/ethnic characteristics of all applicants for jobs, including hires.

**NOTES:**

Documentation for retained employees must be obtained at the time of application based on current household income. The applicant for a new job should indicate his household income prior to employment with the firm.

To determine if an employee is an LMI beneficiary, compare family size and family income to the income ranges. In the first example, the employee's family size is three and family income is between \$21,200 and \$33,900. Referring to the income ranges on the LMI Summary Sheet, the employee is below the \$33,900 limit for a family of three. Therefore, the employee is considered LMI. Again, all employees not completing the form must be considered non-LMI.  
**Use this same principal for the survey portion of the Employment Status Statement.**  
**Please note the addition of an income for 30% of median income.**

Tabulate the Employment Status Statements and record the results on the Employment Summary Sheet.



## COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM EMPLOYMENT STATUS STATEMENT

Name of Company: \_\_\_\_\_

The above company has participated in a federal program that requires that certain employment standards be met. Completion of this form is VOLUNTARY, and this information will be kept confidential, with access only to the company's personnel official, representative of the city/county who is administering the program, and the State of Missouri who oversees the program.

Family – husband, wife, and all dependents as defined by the IRS for income tax purposes.

Family Income – Total yearly income from all family members over the age of 18. If you are an applicant, this would be prior to employment with the company. If you are a current employee, this will include present salary.

FAMILY SIZE	INCOME LIMITS			<b>FAMILY SIZE:</b> _____
	A (30%)	B (50%)	C (80%)	
1	TO _____	TO _____		
2	TO _____	TO _____		
3	TO _____	TO _____		
4	TO _____	TO _____		
5	TO _____	TO _____		
6	TO _____	TO _____		
7	TO _____	TO _____		
8+	TO _____	TO _____		

Please check all of the following that apply to you:

<input type="checkbox"/> Over the Age of 62	<input type="checkbox"/> Handicapped/Disabled	<input type="checkbox"/> Female Head of Household
---	---	---

Were you unemployed prior to accepting this position?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
---	------------------------------	-----------------------------

### ETHNICITY:

<input type="checkbox"/> Hispanic	<input type="checkbox"/> Non-Hispanic
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### RACE:

<input type="checkbox"/> White	<input type="checkbox"/> Asian & White
<input type="checkbox"/> Black/African American	<input type="checkbox"/> Black/African American & White
<input type="checkbox"/> Asian	<input type="checkbox"/> Am. Indian/Alaskan Native & Black/African Am.
<input type="checkbox"/> American Indian/Alaskan Native	<input type="checkbox"/> Asian & Native Hawaiian/Other Pacific Islander
<input type="checkbox"/> Native Hawaiian/Other Pacific Islander	<input type="checkbox"/> All Others
<input type="checkbox"/> American Indian/Alaskan Native & White	

To the best of my knowledge, the above information is true and can be verified if requested by proper officials of the city/county of the State of Missouri. I also certify that I am authorized to work in the United States and can produce evidence of work authorization.

NAME PRINTED	SIGNATURE [Required]
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JOB TITLE	DATE
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## COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM EMPLOYMENT STATUS STATEMENT (EXAMPLE)

Name of Company: <u>Freedom Campers</u>				
<p>The above company has participated in a federal program that requires that certain employment standards be met. Completion of this form is VOLUNTARY, and this information will be kept confidential, with access only to the company's personnel official, representative of the city/county who is administering the program, and the State of Missouri who oversees the program.</p>				
<p><u>Family</u> – husband, wife, and all dependents as defined by the IRS for income tax purposes.</p> <p><u>Family Income</u> – Total yearly income from all family members over the age of 18. If you are an applicant, this would be prior to employment with the company. If you are a current employee, this will include present salary.</p>				
FAMILY SIZE	INCOME LIMITS			<b>FAMILY SIZE:</b> <u>3</u>  <input type="checkbox"/> <b>Income Above Column C</b>  <input checked="" type="checkbox"/> <b>Income between Column B &amp; C</b>  <input type="checkbox"/> <b>Income between Column A &amp; B</b>  <input type="checkbox"/> <b>Income below Column A</b>
	A (30%)	B (50%)	C (80%)	
	1 \$9,900	TO \$16,500	TO \$26,400	
	2 \$11,300	TO \$18,850	TO \$30,150	
	3 \$12,700	TO \$21,200	TO \$33,900	
	4 \$13,950	TO \$23,250	TO \$37,200	
	5 \$15,050	TO \$25,100	TO \$40,200	
	6 \$16,200	TO \$26,950	TO \$43,150	
	7 \$17,300	TO \$28,850	TO \$46,150	
8+ \$18,400	TO \$30,700	TO \$49,100		
<b>Please check all of the following that apply to you:</b>				
<input type="checkbox"/> Over the Age of 62	<input type="checkbox"/> Handicapped/Disabled	<input checked="" type="checkbox"/> Female Head of Household		
Were you unemployed prior to accepting this position?			<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<b>ETHNICITY:</b>				
<input type="checkbox"/> Hispanic	<input checked="" type="checkbox"/> Non-Hispanic			
<b>RACE:</b>				
<input type="checkbox"/> White	<input type="checkbox"/> Asian & White			
<input checked="" type="checkbox"/> Black/African American	<input type="checkbox"/> Black/African American & White			
<input type="checkbox"/> Asian	<input type="checkbox"/> Am. Indian/Alaskan Native & Black/African Am.			
<input type="checkbox"/> American Indian/Alaskan Native	<input type="checkbox"/> Asian & Native Hawaiian/Other Pacific Islander			
<input type="checkbox"/> Native Hawaiian/Other Pacific Islander	<input type="checkbox"/> All Others			
<input type="checkbox"/> American Indian/Alaskan Native & White				
<b>To the best of my knowledge, the above information is true and can be verified if requested by proper officials of the city/county of the State of Missouri. I also certify that I am authorized to work in the United States and can produce evidence of work authorization.</b>				
NAME PRINTED: <u>Sally Jones</u>	SIGNATURE [Required]			
JOB TITLE: <u>Press Operator</u>	DATE: <u>June 23, 2004</u>			



## COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM EMPLOYMENT SUMMARY SHEET

### Section I

Company: \_\_\_\_\_

Date: \_\_\_\_\_

Grantee: \_\_\_\_\_

Project No: \_\_\_\_\_

County: \_\_\_\_\_

### LMI SUMMARY

NUMBER PERSONS IN FAMILY	1	2	3	4	5	6	7	8+
COUNTY LMI LEVEL (insert income limits appropriate to family size.)								
# of EMPLOYEES @ LMI LEVEL* (all persons below the Moderate income limit)								

\*As noted on the Employment Status Statement, if an employee's income is between Moderate and Low, Low and 30% of Median, or below 30% of Median, the employee is considered LMI.

### Section II

1. Total Current Employees: \_\_\_\_\_

2. Total Employees (New or Retained) Applicable to This Project: \_\_\_\_\_

3. Total Employees Filling Out Salary Sheet: \_\_\_\_\_

**(Employees not completing form are considered non-LMI)**

4. Total # Employees @ LMI Level \_\_\_\_\_ Or \_\_\_\_\_ %

5. Total Minorities \_\_\_\_\_ Total Handicap (Disabled) \_\_\_\_\_

Total Female Head of Household \_\_\_\_\_ Total Elderly \_\_\_\_\_

SIGNATURE OF ADMINISTRATOR: \_\_\_\_\_

Attachments: 1. Current company employee listing, including date of hire.

2. Employment Status Statements for #3 above.



## COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

### EMPLOYMENT SUMMARY SHEET (EXAMPLE)

#### Section I

Company: Freedom Camper Date: 8/3/01

Grantee: Clark Project No: 01-ED-022

County: Adair

#### LMI SUMMARY

NUMBER PERSONS IN FAMILY	1	2	3	4	5	6	7	8+
COUNTY LMI LEVEL (insert income limits appropriate to family size.)	9,900 to 26,400	11,300 to 30,150	12,700 to 33,900	14,150 to 37,700	15,250 to 40,700	16,400 to 43,700	17,500 to 46,700	18,650 to 49,750
# of EMPLOYEES @ LMI LEVEL* (all persons below the Moderate income limit)	3	8	9	5	4	1	0	0

\*As noted on the Employment Status Statement, if an employee's income is between Moderate and Low, Low and 30% of Median, or below 30% of Median, the employee is considered LMI.

#### Section II

1. Total Current Employees: 50
2. Total Employees (New or Retained) Applicable to This Project: 42
3. Total Employees Filling Out Salary Sheet: 39

**(Employees not completing form are considered non-LMI)**

4. Total # Employees @ LMI Level 30 Or 77 %
  5. Total Minorities 2 Total Handicap (Disabled) 0
- Total Female Head of Household 14 Total Elderly 0

SIGNATURE OF ADMINISTRATOR: \_\_\_\_\_

- Attachments:
1. Current company employee listing, including date of hire.
  2. Employment Status Statements for #3 above.



## COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM APPLICANT SUMMARY SHEET

Name of Company: \_\_\_\_\_ Project No.: \_\_\_\_\_

Grantee: \_\_\_\_\_ Date: \_\_\_\_\_

Including the hires on the EMPLOYMENT SUMMARY SHEET, please complete the following for all **applicants** for the jobs involved in this project:

	Total Applicants	Hispanic Applicants
White:		
Black/African American:		
Asian:		
American Indian/Alaskan Native:		
Native Hawaiian/Other Pacific Islander:		
American Indian/Alaskan Native & White:		
Asian & White:		
Black/African American & White:		
Am. Indian/Alaskan Native & Black/African Am.:		
Asian & Native Hawaiian/Other Pacific Islander:		
All Others:		
<b>TOTAL</b>		
Female Head of Household:		
Handicapped (Disabled):		
Elderly:		
Immediate prior unemployment		



## COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM PROGRAM INCOME FORM ED/4

The repayment and reuse of program income in the State's CDBG economic development program is governed by the terms of the Application/Funding Approval and Program Income Policy developed for the program. A Grantee is required on a biannual basis to report program income received from repayment of a loan and the disposition of same. Complete the items below in detail and forward three copies of this report to DED, P.O. Box 118, Jefferson City, MO 65102, by January 15 and July 15 of each year, until release of this requirement is received in writing from DED.

Grantee (City/County): \_\_\_\_\_ Date: \_\_\_\_\_

Project No.: \_\_\_\_\_ Company Assisted: \_\_\_\_\_

Company Mailing Address: \_\_\_\_\_

Grantee's (City/County) Contact Person: \_\_\_\_\_

1. Date of Grant Award: \_\_\_\_\_

2. Amount of Original Loan: \$ \_\_\_\_\_

3. Terms of Loan: \_\_\_\_\_ ; # of years \_\_\_\_\_ ; interest rate \_\_\_\_\_ ; # of installments \_\_\_\_\_

Payable \_\_\_\_\_ ; first installment due \_\_\_\_\_  
monthly/semi annually/annually date \_\_\_\_\_

4. Option exercised by Grantee regarding program income at application/funding stage (check applicable choice made):

- Return all program income to State.
- Return principal to State; retain interest.
- Retain all program income.

5. Repayment received to date: \_\_\_\_\_

Principal \$ \_\_\_\_\_ Interest \$ \_\_\_\_\_ Total \$ \_\_\_\_\_

6. If any repayments have not been received, briefly describe what actions have been taken to correct the situation: \_\_\_\_\_

7. Status of program income: \_\_\_\_\_

If program income has not been reused, indicate on line above. If it has been reused, indicate below.

Date	Amount	Payee	Date Approved or Received by DED	Number of Jobs Involved
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____